

Free Trade Broadside

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ISSUED QUARTERLY

*We are citizens and merchants
of the world. No man or woman
but lives by trade and
barter. Long ago there
was a marriage between
the house of Give and the
house of Take, and their
child is civilization. Sul-
tan or Czar may say,
"Buy here, sell there, and
at this price. You are
my slave. Obey!" But
who in this century and
this land shall say that
to me—or to you? Are
we free men? Then let
us walk as such through
the marts of the earth.
"Trade where you will,"
saith Nature. "It was so
I brought the tree to the barren
isle, and scattered the life of
the seas."*

—Mary Johnston
in "Lewis Rand."

A VALUABLE COADJUTOR

The steady progress of the free trade movement is marked by the growing interest now manifested by women. In the English struggle their assistance was of immense value. Harriet Martineau's Political Economy Series, in the form of popular tales, brought her recognition and fame. Although frowned upon by the Diffusion Society, to whose approval they were submitted, they instantly met the cordial endorsement of Lord Brougham. His indignation found vent in vigorous expression of shame, that a society "instituted for the very purpose, should be driven out of the field by a little deaf woman of Norwich." Miss Martineau's story of the "Loom and the Lug-

the joint lectures of her distinguished husband and herself, justified her inclusion among economists of authority. Other accomplished English women have written worthily on economic subjects, and the enthusiastic support of Cobden and Bright by their countrywomen is notable in the history of the reform.

In contrast, what a dearth of interest in tariff legislation has existed on the part of American women! The advent of Ida Tarbell into the arena presages a new epoch. Trained to judicial consideration of social questions, simple and luminous in statement, she takes her place in the free trade struggle only after thought and study that make her a force to be counted. May she live to see the downfall of the restrictive system, under some new Sir Robert Peel, not yet discernible! Meanwhile, her busy pen is spreading light and making converts to the swelling crusade against monopoly and privilege.

Miss Tarbell, a graduate of Alleghany College, Meadville, Pa., later a student in Paris at the Sorbonne and College de France, formerly on the editorial staff of *McClure's Magazine*, and now editor of the *American Magazine*, commands universal respect and attention. By her permission we present an excellent portrait of our coadjutor and valued member of the American Free Trade League.



IDA M. TARBELL

ger" revealed the injustice and stupidity of protection, abounding in aphorisms of truth that stand the test of time. These stories were a factor in preparing the way for the fast-following Corn Law agitation.

Millicent Garrett Fawcett, in her Political Economy for Beginners, and in

country to the practice of High Protection. For fifty years it has been the stronghold of the doctrine. For fifty years it has reaped, as no other center in the United States, the benefits of prohibitive duties.

The town lies at the heart of a district in which is produced from one

A TARIFF-MADE CITY

By Ida M. Tarbell

The city of Pittsburg is the greatest monument in this

quarter to one half of all the various kinds of American iron and steel as well as a goodly proportion of all our tin, plate-glass, and machine shop products. All of these articles have for years had the American market practically to themselves. All of these articles have for years been exported and sold at less prices than the American consumer can buy them. All these industries have produced enormous fortunes. So many, so conspicuous are they that a recognized American type in Europe and the United States is the "Pittsburg millionaire." Now it is certain the tariff produced the Pittsburg millionaire, but that was not what the tariff was fixed for by the Congress of the United States. The tariff was laid to protect and help the Pittsburg workman. According to the protectionist argument Pittsburg, as the bulwark and center of protected industries, should produce the happiest, most prosperous and best conditioned workmen in the United States. How is it?

What a Tariff-Made City Does for its Workmen

There has just been published in *Charities and The Commons* (now *The Survey*) one of the most significant pieces of investigation the country has seen. It is the result of a year or more of work on the part of a band of trained investigators commissioned by the Charities Publication Committee. It gives a blue print of Pittsburg:—the place itself, the people, and their work. What does this blue print show of the workingman under protection?

It shows him working *twelve* hours a day for *seven* days in the week, and once in two weeks filling a "long turn" or a twenty-four-hour shift. It is not simply the exceptional man who overworks in this cruel fashion. The twelve-hour day is the extreme of an "altogether incredible amount of overwork by everybody," so the *Survey* declares. Can you make a man by these hours? Is it any wonder that those who lived and walked among these men preparing this *Survey* report their saying "Too tired to read—too tired to think—I work and eat and sleep." Any wonder that they report the God-fearing women crying out for the Old Country "We might not have been able to live so well there, but oh man, we could have brought up the children in the fear o' God and in a land where men reverence the Sabbath." Any wonder that those men who have not the restraining influence of a family

drown fatigue at night in saloons and brothels?

And what do they earn for their toil? In the tariff protected industries, steel and iron, the greatest number receive a wage, says the report, "so low as to be inadequate to the maintenance of a normal American standard of living. Wages adjusted to the single man in the lodging house, not to the responsible head of a family." And this in industries where "to protect the workingman" this country has for years taxed itself millions upon millions of dollars. The estimated tariff profit in the steel trust alone in 1907 was \$80,000,000. Who got the money? Go look at the steel palaces and chateaux in New York and Paris. Go ask the Pittsburg millionaires who fill the glittering places of pleasure in the great cities of Europe and this country, who figure in divorce and murder trials, who are writing their names on foundations and bequests and institutions.

How Protected Workingmen Live

How does this "protected" workingman live? What kind of households are these "builded on steel?" The reporter of the situation summarizes them:—

Evil conditions were found to exist in every section of the city. Over the omnipresent vaults, graceless privy sheds flouted one's sense of decency. Eyrie rookeries perched on the hill-sides were swarming with men, women and children—entire families living in one room and accommodating boarders in a corner thereof. Cellar rooms were the abiding places of other families. In many houses water was a luxury, to be obtained only through much effort of toiling steps and straining muscles. Courts and alleys fouled by bad drainage and piles of rubbish were playing grounds for rickety, pale-faced, grimy children. An enveloping cloud of smoke and dust through which light and air must filter made house-keeping a travesty in many neighborhoods; and every phase of the situation was intensified by the evil of overcrowding—of houses upon lots, of families into houses, of people into rooms.

How Corporate Wealth Regards Labor

Among the worst illustrations of these *typical* conditions are certain properties owned by the very corporations who are reaping wealth from the tariff protected products. These beneficiaries of the generosity of the American people, these gentlemen who when they see the taxation in their interest threatened hold up the laborer and his good as a reason for continuing it, what do *they* say when these conditions are pointed out to them:—

We don't want to go into the housing business. We are manufacturers, not real estate dealers. We may be forced to build houses in certain new districts in order to attract and hold labor, but in an old, settled community let the laboring man take care of himself. We don't believe in paternalism.

They have had no more interest in preserving the lives of the men who do the terrible toil necessary to their wealth than in giving them decent housing. For years the death rate from typhoid fever in Pittsburg has been the highest of any city in the civilized world. Everybody knew it. Everybody knew why. There was no supply of pure drinking water. A filtration plant was needed. Did any Pittsburg millionaire offer to build it—insist that the industries which called the vast army of labor to Pittsburg should build it? No, they left a corrupted city government to fight over the appropriations for the work and scattered in endowments and in institutions in other cities and other states, many times the five millions needed in Pittsburg to save the lives of the workmen. They hold up to the world for admiration their love of great material problems—they argue with the American people that their skill in solving these problems is a good and sufficient reason for continuing general taxation in their favor. But a problem which worked out would benefit nobody but the humble two-dollar-a-day man who sweats out his life in the heat of their profitable furnaces does not interest them. It might savor of paternalism!

Pitiful Condition of the Children

Not even the child has touched them. The conditions under which the children of the poor are brought up in Pittsburg are such that babies die like flies. Of those along the river, a settlement worker told Samuel Hopkins Adams, when he was working on health conditions for the *Survey*:—

Not one child in ten comes to us from the river-bottom section without a blood or skin disease, usually of long standing. Not one out of ten comes to us physically up to the normal for his or her age. Worse than that, few of them are up to the mental standard, and an increasing percentage are imbecile.

As to the schools here is what an authority says:—

The school buildings are in many cases crowded, dark, dirty, often of three stories, and bad fire risks. The condition of the children in these schools good and bad, rich and poor, may be known by the large proportion

having defective teeth, reduced hearing, imperfect vision. An excessively large number of them are mouth breathers, partially so because they are unable to breathe through their noses in the smoky air of Pittsburg, and a very considerable number are determined for the average child. In a large percentage, the defects of teeth, nose and throat ring them below the physical normal. These are the children that wear out in childhood.

Is it a wonder that this gentleman suggested:—

Ought not the Pittsburg schools to be closed and the children repaired?

This Pittsburg *Survey* is the most awful arraignment of an American institution and its resulting class pronounced since the days of slavery. It puts upon the Pittsburg millionaire the awful stamp of Greed, of Stupidity and of heartless Pride. But what should we expect of him? He is the creature of a Special Privilege which for years he has not needed. He has fought for it because he fattened on it. He must have it for labor. But look at him and look at his laborer and believe him if you can.

Justice takes a terrible revenge on those who thrive by privilege. She blinds their eyes until they no longer see human misery. She dulls their hearts until they no longer beat with humanity. She benumbs their senses until they respond only to the narrow horizon of what they can individually possess, touch, feel. She makes, as she has in Pittsburg, a generation of men and women who day by day can pass hundreds of tumbled down and filthy homes, in which the men and women who make their wealth live, and feel no shock; who can know that deadly fevers and diseases which are preventable are wiping out hundreds of those who do their tasks, and raise no hand. Little children may die or grow up stunted and evil within their sight and no penny of their wealth, no hour of their leisure is given them. Women may pass hours of incessant toil and die, broken and unhonored within their sight, and they raise no hand. Wealth which comes by Privilege kills. The curse of Justice on those who will not recognize injustice is the sodden mind, the dulled vision, the unfeeling heart.

—*American Magazine.*

Free trade is the natural interchange of the world's productions, unhindered by governments, whose business it is to guard the freedom of commerce but not to interfere with it.

—*Harriet Martineau.*

HOW LONG

Before "the Moral Uplift Affects the Tariff-Fixers"?

What have the tariff-fixers been doing every time the tariff has been tinkered for the last half-century and longer? Their habits and methods are perfectly well known and understood. When the whistle blows for revision the protected interests pour their representatives into Washington, and the congressmen and senators who represent them are called upon to do what they can, each for his constituents. The glass man, the glove man, the wool man, the coal man, the silk man, the drug man, the oil man, the steel man, the lumber man and all the others say, each of them: "If you expect the election in our district to be fixed right for you get along now and fix the tariff right for me." Collectively they say to the Republican party: "Take care of us! Take good care of us, and we'll settle with you later."

And what does the glass man really want when he wants the tariff fixed right for him? Such a simple thing! He wants power to tax the people of the country for his benefit. That's all he asks. "Let me tax them a cent or two a pane (or a pound) for glass," he says. "They'll never miss it, and without it I can't get a proper profit out of my business." And so with all the others.

That is what the protective tariff means, as it is practised. It means that to men in certain lines of business the privilege shall be given to tax the rest of the people in the country for their own benefit. The theory is that this privilege shall be lent for a time to the weak in order that they may get established and until they are strong enough to meet foreign competition. It is the universal testimony of dispassionate observers that revision as it goes on now, and has been going on for months, in the committee-rooms of Congress, is a sordid and corrupt scramble for favors, just as every other revision must be that is threshed out in Congress. The best man in the scramble is the man who can get the most for his district, his client, himself or whoever he is working for, without regard for the people at whose cost he gets it.

That is where the immorality of these proceedings comes in, and where the moral uplift ought, in due time, to get in its work. For this scramble of the strong for a chance to tax us for their own benefit is not right, and in its details it is apt to be exceedingly dishonest. A great cloud of lies, misrepresentation and false testimony befores the whole subject. The men who want to tax the consumer are ably represented and are heard at length, but the consumer is seldom represented except by the importers (sometimes) and by his representatives in Congress, and as between a consumer who is keeping still and a tariff-fixer who is yelling for more privilege, the man who is yelling is the one that usually gets the congressman's attention.—*Life.*

FOUR PRINCIPLES IN ALDRICH BILL

An old and competent observer of tariff fights and Senate shrewdness has written that the incomplete Aldrich bill appears to have been drawn in recognition of four great principles, which he sets forth in this order:

Cut boldly into inoperative tariffs, so long as no such reductions lessen anybody's real protection.

Retreat from those advances in the Payne bill which have aroused storms of popular protest.

In case of doubt play the Dingley rates.

Leave those contemplated exactions which will be particularly irksome to subsequent settlement, either by amendment on the floor or by provisions of the customs administrative act, which is to follow as a separate act.

This description, by a protectionist, seems to set forth accurately and fully the plan of Mr. Aldrich and his supporters. They do these things much more adroitly in the Senate than in the House. If one may judge from the Senate bill, the controlling factors of the Finance Committee have no intention of making any real revision of the Dingley rates. The bill as it now stands is sufficient evidence that the tariff beneficiaries chose with discrimination the men to be placed on guard at a time when the duties on imports were to be rearranged and modified.

—*Special Correspondence of The N. Y. Evening Post.*

"Every time the tariff is revised," said Bourke Cockran, sailing for Europe, "the consumer must get the worst of it because the reforming is all done in the interest of the interests." And the "reforming" will be done in the interest of the interests as long as the tariff is revised "by its friends."

—*Eastern Argus.*

EDITORIAL

REVISION OF THE TARIFF BY ITS FRIENDS

The farce of revising the tariff has occupied the stage for months where weeks were intended. According to precedent, the matter should have been done with neatness and despatch in a committee room or in quiet conference between the leaders of the Senate and the House. So it was not to be. Publicity, duplicity, wrangling, recrimination and bad blood have filled the weary weeks of debate, if discussion of the detailed method of getting the most from the consumers of the country with the least resistance can be called a debate.

Thus far only a professed belief in the protective tariff from members of both parties has been elicited. No one would think of disturbing the sacred system, certainly not the democrats. Mr. Aldrich and his lieutenants can count upon no trustier supporters than leading democratic senators. Confessedly the platform of their party denouncing the iniquity, to which their fealty was pledged during the campaign, was no more binding than a dicer's oath.

The real resistance felt by the standpatters comes from the middle west. LaFollette, Dolliver, Beveridge, Culbertson and a few others scent the changing public opinion of their section. Obedience to local majorities is held paramount to public considerations, and easily condoned by the party as a personal necessity. However fierce the disputes and gross the innuendoes in the heat of discussion, all will be forgiven at the end when the party vote is forced and the brave recalcitrants hurry to "come in when the dinner bell rings."

The star performer, Mr. Dolliver, at whom Mr. Aldrich glares when he does not seek the refuge of the anteroom the moment the Iowa senator rises, is the last man wishing to hurt the tariff. "The great question before the Senate," he declares, "is whether the Dingley cotton schedule, operating well for twelve years ought to be disturbed. There is nobody here intending to mutilate it. * * * I am trying to preserve the tariff laws of the United States."

This extra session of congress, the time and money wasted and business unsettled, is after all not for the purpose of reforming the tariff in the consumer's interest but to increase the rates of the Dingley bill if possible;

if not, to hold the present level. What cleverer device to keep the Dingley rates intact than to threaten higher duties and then gracefully agree, after semblance of violent passion, to let them stand? That accomplished, the standpatters reckon on ten years more of good trade and large profits—for the privileged manufacturers.

* * *

THE RISK OF PROPHECY

Reposing on precedent privilege may expect a long season of deliverance from tariff agitation. Once the Payne bill is passed, the plea for non-interference until time has tested its working will be urged. To open the closed book will be disturbing to the public and business interests. After the panic from which the country is slowly recovering, no good citizen should seek to hinder the coming of prosperity. And while the reasons given are made to appear prudent and altruistic, the true one not expressed, is the endangering of present party supremacy.

But precedents have a limit. What has been is not always that which is to be. He is blind to passing events who fails to discover the signs of a new order. Much popular thinking has been done the past few years. The revelations of political corruption from one end of the land to the other have mightily influenced opinion, to what extent future elections will determine. Party moorings cease to hold and shrewd politicians are keeping awake nights to study currents. A new alignment is inevitable. Up to the firing on Fort Sumter the pro-slavery party seemed never more surely intrenched. That event transformed the situation in a twinkling and slavery was doomed. The blindest of the blind were the astute politicians.

The press sheds a daily flood of light on the sophistries and deceptions now working overtime at Washington. A change of sentiment is in process. Party distinctions have lost their meaning. When men like Senator Daniel of Virginia and Senator Rayner of Maryland proclaim their adherence to the gospel of protection, their democracy spells plunder—for their sections. For the high tariff sentiment of the South rises like yeast. As an offset, thoughtful republicans are getting their eyes unsealed. Like a plowshare, new issues are driving across political lines in pursuit of a self-government where the people shall displace the bosses. The outlook is full of cheer for the reformer. Instead of lamenting that a reasonable spirit of tariff reduction is

absent from Washington, let him rather rejoice when the screws are tightened and duties hoisted. Only by overweight will the tariff edifice topple.

* * *

WANTED, AN EPIC NOTE

It was written of Gladstone,

Thou gav'st to party strife the epic note,
And to debate the thunder of the Lord;
To meanest issues fires of the Most High.

The same could be said of Sumner and his anti-slavery colleagues in Congress during the days of trial. In vain one listens now for a voice worthy to shame the meanness of party strife and low debate. Morality and legislation have seemingly no kinship. What single utterance at Washington can be quoted that stirs a moral enthusiasm or betokens high purpose?

From Massachusetts lips not one has come. Mr. Lodge can only wax eloquent in defence of wrong. Mr. Crane has no public voice and his activities are discovered chiefly by rumors at which correspondents hint. In the House delegation Mr. McCall stands unique for independence—within the party lines. His moral sense is unquestioned. Yet, through the long hearing before the ways and means committee, he has listened and observed. Charles Francis Adams has in a public letter to Mr. McCall, fitly characterized that audience afforded to tariff beneficiaries, asking for further "licenses to steal." The brazen requests and unblushing confessions of the applicants, full of suggestion regarding the iniquity of the system, has evoked no indignant expression from our respected representative, even though organs of his own party have not been slow to express disgust. His vote to retain the duty on lumber is, to say the least, discouraging.

It may be that Mr. McCall is taking his own time and will duly rejoice his admiring constituents, but thus far we hear only of his respect for Speaker Cannon and semi-approval of the Payne schedules. Both Cannon and Payne are representative tools of privilege. It is too serious a matter to deal in compliment at this time. Commercial considerations are as dust in the balance compared with public honesty and pure government. When the sappers and miners of democratic government are at work, personal liking for the abettors cannot excuse silence.

The State has a proud record in the past. Who shall sustain it in this crisis? Even policy points to the quick recognition that awaits the man who shall represent the suppressed conscience of the commonwealth.

Whittier's verse is again in order:—

O my God!—for that free spirit, which
of old in Boston town
Smote the Province House with terror,
struck the crest of Andros down!
For another strong-voiced Adams in
the city's streets to cry,
"Up for God and Massachusetts!—Set
your feet on Mammon's lie!
Perish banks and perish traffic,—spin
your cotton's latest pound,—
But in Heaven's name keep your
honor,—keep the heart o' the
Bay State sound!"

* * *

HOW HISTORY REPEATS ITSELF

Montgredien, in his history of the free trade movement in England, describes the tariff of 1842. A clever Washington correspondent would be puzzled to depict more accurately the tariff under which we live. Montgredien says:

"With the exception of a few slight changes in the silk duties introduced by Mr. Huskisson in 1823, the English tariff had till now remained in the same old barbarous state. It imposed duties on every conceivable article, raw or manufactured, that could be sent us from abroad. These duties were sometimes fixed, sometimes *ad valorem*, sometimes both on the same article. Many of them were differential, being higher on the produce of some countries and lower on that of others. They varied in their rates in the most capricious and unaccountable manner, as though they had been fixed by random or hit upon by lot. They were levied with the same ponderous and costly machinery, whatever might be the amount they yielded to the revenue, whether on the few tons annually imported of cochineal, or on the hundreds of cargoes of cotton and sugar. The official forms through which the collection of those duties permeated were most complex, and bristled with difficulties in the shape of conflicting valuations, differential rates, identification of nationalities, &c., &c., which necessitated abundance of oaths, declarations and affidavits, and of consequent perjury, and afforded irresistible temptation to bribery, to cheating, and finally to smuggling with all its attendant demoralizing influences."

In 1846, four years later, the whole

abomination was swept away and England put upon a revenue basis that has made her the commercial leader of the world.

* * *

A LESSON FROM RICHARD COBDEN

Free traders can with profit take a leaf from the history of the Corn Law agitation. Never in this country has the conflict with protection been fought with a tithe of the determination and sagacity displayed in the England of the forties. No temporizing policy was for a moment entertained. When, in 1839, a motion was made in the House of Commons that the petitioners for a repeal of the Corn Laws be heard at the bar of the House, it was refused by a vote of 361 against 172. Undismayed by the majority, Cobden declared: "The delegates have offered to instruct the House; the House has refused to be instructed. But the House must be instructed; and the most unexceptional and effective way will be by instructing the nation."

It was a wise and statesmanlike decision. The fault was with the constituents rather than with the members of parliament, followers and never leaders of public opinion. Then the great inert masses were addressed and instructed. Slow of movement they were nevertheless irresistible when once in motion. Then came the unremitting appeal to the intelligence and conscience of the voters. Many were the discouraging obstacles but the pressure told. A principle was at stake and no petty compromise on rates was entertained. It was not a question of percentages but a battle to the finish.

The same sophistries and untruths, the same appeals to self-interest, the same arrogance prevail to-day. To descend into this arena of subterfuge and fight with weapons chosen by the enemy, to haggle over statistics purposely made to deceive, was not the policy of Cobden. He knew the strength of the moral and religious sentiment of the kingdom when summoned to an issue of right and justice. To that task he addressed himself and succeeded. Of all the great figures of his time, not excepting Sir Robert Peel, who performed the part in the abolition of the Corn Laws that Lincoln did in the abolition of slavery, Cobden rises supreme. Without his propaganda there would have been no Peel to celebrate. It is time to emulate in the United States the example of England's "great commoner."

* * *

A SIGNAL LOSS TO THE CAUSE

The death of the distinguished German radical, Dr. Theodor Barth, at Baden Baden, June 2nd, is a sad loss to the free trade movement. He was a man of unflinching principle, and manfully opposed prevailing ideas hostile to democracy, through his able paper, *Die Nation*, as well as in the Reichstag, when a member, he exercised a wide influence. He was of the non-Socialist type, universal in his sympathies, with many friends in various countries, especially in England and the United States, speaking English as fluently as his own tongue. Our delegates to the London Free Trade Conference last summer, where Dr. Barth read a notable paper, cannot forget the fine personality of the man. His last efforts were directed towards forming an international free trade league, a purpose not to be interrupted by his death. The following paragraph from his London speech will show that the sympathies of this citizen of the world overleapt all local confines:—

There is a modern idea of economic imperialism, the doctrine that markets are to be conquered not so much by the intrinsic qualities of the goods offered to foreign consumers, but by the force and the prestige, and, if necessary, the arms of the producing country. Protection always has had monopoly tendencies, and monopoly is based upon force. Therefore I believe we may say, just as there is a logical cohesion between free trade and peace, there is a logical cohesion between protectionism and war.

COME, HELP THE CAUSE ALONG

The growing interest of people in the tariff question is shown by the increase of new members who have recently joined the Free Trade League. But, in view of the grave importance of the issue, there should be ten recruits where now one enlists. The honor of being connected with a righteous movement sure to conquer, and the stimulation arising from service in the ranks of a reform in the days of its unpopularity, should attract generous souls.

Then to side with Truth is noble
when we share her wretched
crust,

Ere her cause bring fame and profit,
and 'tis prosperous to be just;

Then it is the brave man chooses,
while the coward stands aside,
Doubting in his abject spirit, till his
Lord is crucified,

And the multitude make virtue of the
faith they had denied.

BOOK NOTICES

The *Chicago Public* of June 11th is a special free trade number, full of excellent and telling matter. The tariff receives a treatment in the *Public* more fundamental and thorough than is possible in the tariff reform press. Louis F. Post, the editor, is a master of the subject of taxation and never afraid to carry discussion to its logical end, by no means reached when free trade is accomplished. Not only the right of free exchange of the products of labor is vindicated in his columns, but also the right of labor to natural opportunities, essential to production, now largely monopolized and withheld. For genuine free traders the *Public* is a *sine qua non*.

* * *

PROTECTION'S FAVORS TO FOREIGNERS

"Protection's Favors to Foreigners," published by the Tariff Reform Committee of the Reform Club of New York, and written by James G. Parsons, Secretary of the Committee, is believed to be the most comprehensive and conclusive statement ever issued concerning the evidence and character of what is essentially a great injury and fraud upon the American consumers, that is, the selling of American manufactured articles cheaper abroad than at home. As the *Boston Globe* says:—

The reform club's tariff pamphlet ought to be an eloquent stumper for the Democrats in the next campaign.

* * *

BOUND VOLUMES OF THE FREE TRADE BROADSIDES

Only forty copies are left of the bound *Broadsides*, containing seventeen numbers (200 pages), with index. Libraries and newspapers would find this free trade collection constantly useful for reference. Price \$2, and postage.

* * *

THE FATE OF ICIDORUM

We recommend to our readers the amusing and instructive story, by President David Starr Jordan, "The Fate of Icidorum: Being the Story of a City Made Rich by Taxation." It is published by Henry Holt & Co., New York. Price, 90c. net; by mail, 96c. Like everything from President Jordan's pen, the little book is interesting and entertaining, a truthful reflection of the idiocy that the American people accept under the bogus title of "Protection." The absurdities of the simple

inhabitants of Issoire and their perfect confidence in the *octroi* tax as a talisman for prosperity, is paralleled every day in our own country. The fable is a mirror which will give us back our own ridiculous image.

No other civilized nation puts a tax on art or literature. Thought is as free in this country as it is in Russia; but when it is expressed in our language and published in book form abroad we tax it 25 per cent. We welcome the foreign artist when he comes with all the ideals of his imagination; but when he has placed them on canvas in the land of his nativity he must pay 20 per cent. We are more exclusive than the Chinese were five thousand years ago, and less tolerant than they are to-day.

The incubus of protection has fettered the natural expansion of many American industries. When they are relieved of this oppression, our manufacturers with their superior machinery and intelligent labor will soon compete with the manufacturers abroad. They will then no longer be compelled to sell their surplus wares at ruinous prices. But they will find markets here and abroad at as fair values as our planters and farmers find for their cotton and cereals.—*Louis Windmüller*.

BE OF GOOD CHEER

Be of good cheer, ye firm and dauntless few,

Whose struggle is to work an unloved good!

Ye shall be taunted by revilings rude—

Ye shall be scorned for that which ye pursue.

Yet faint not, but be ever strict and true:

Greatness must learn to be misunderstood;

And persecution is their bitter food.
Who the great promptings of the spirit do.

Though no one seems to hear, yet every word

That thou hast linked unto an earnest thought

Hath fiery wings, and shall be clearly heard

When thy frail lips to silent dust are brought.

God's guidance keeps those noble thoughts, that chime

With the great harmony, beyond all time.

—*William W. Story*.

CARNEGIE ON FREE TRADE

(From His Work on "Triumphant Democracy")

Besides the rivers, the great lakes of America, estimated to contain one-third of all the fresh water in the world, are another important element in aid of consolidation. A ship sailing from any part of the world may discharge its cargo at Chicago in the northwest, a thousand miles inland. The Mississippi and its tributaries traverse the great western basin, a million and a quarter square miles in extent, and furnish an internal navigable system of twenty thousand miles. A steamer starting from Pittsburg in Pennsylvania, four hundred and fifty miles inland from New York, and two thousand from the mouth of the Mississippi, passing through these water highways, and returning to its starting place at that smoky metropolis of iron and steel, will sail a distance much greater than round the world. Nor will it in all its course be stopped by any government official, or be taxed by any tariff. The flag it carries will ensure free passage for ship and cargo, unimpeded by any fiscal charge whatever, for the whole continent enjoys the blessings of absolute freedom of intercourse among the citizens. In estimating the influences which promote the consolidation of the people much weight must be given to this cause. Fifty-six million of people, occupying an area which includes climatic differences so great that everything necessary for the wants of man can be readily produced, exchange their products without inspection or charge. Truly here is the most magnificent exhibition of free trade which the world has ever seen. It would be difficult to set bounds to the beneficial effects of the wise provision of the National Constitution which guarantees to every member of the vast confederacy the blessings of unrestricted commercial intercourse.

Not only from an economical point of view, but from the higher standpoint of its bearing upon the unity and brotherhood of the people, this unrestricted freedom of trade must rank as one of the most potent agencies for the preservation of the Union. Were each of the thirty-eight States of the American continent to tax the products of the others we should soon see the dissolution of the great Republic into thirty-eight warring factions. If any one doubts that free trade carries peace in its train let him study the internal free trade system of America.

ANNUAL MEETING

The annual meeting of the American Free Trade League was held at the American House, Thursday, April 29. The following officers were elected for the ensuing year:—

William Lloyd Garrison, *President*.
Charles F. Lovejoy, *Secretary*.
John Ritchie, *Treasurer*.

EXECUTIVE COMMITTEE

Harvey N. Shepard, *Chairman*,
James R. Carret,
Howard A. Carson,
Thomas B. Fitzpatrick,
William L. Garrison, Jr.,
Mrs. Martha P. Hadley,
George S. Harrington,
Samuel Y. Nash
Albert S. Parsons,
Erving Winslow.

Hon. John DeWitt Warner of New York, and A. Warren Kelsey, of Philadelphia, were elected vice-presidents.

EXTRACT FROM ADDRESSES CHARLES FRANCIS ADAMS

I have recently been passing some weeks in Washington, and the exhibition of insatiable greed and utterly unconscionable disregard of public welfare witnessed in and about the Capitol there and the purlieus of the Capitol has, during those weeks, surpassed belief and defies description. It has been not too strongly characterized as a swinish display of unbounded covetousness, on the part of men utterly unconscious of the spectacle they were making of themselves. Apparently, they have been educated out of all sense of shame or idea of decency. These are strong words; they are not mine. I quote them, each and all, from the utterances of those whose calling brings them in much closer contact than my own, I am glad to say, with the squealing, guzzling drove which crowds importunate about the great protection trough. More than a generation ago President Garfield declared emphatically that service on the Ways and Means Committee of the national House of Representatives was morally depressing. To sit, he said, as he then had to do, and listen to the unblushing importunities of sturdy tariff beggars, gave one a poor idea indeed of one's fellow-countrymen. Their selfishness—unconcerned because naked and confessed—their utter disregard of other interests than their own, their firm conviction that the taxing power of the

government existed solely to make them rich at the expense of their fellows, were, he declared, almost enough to make a member of the committee, the business of which it was to put the licenses to tax in shape, lose faith in human nature. Mr. Garfield further and finally declared that in all his experience he had never known a single manufacturer to present himself in the committee room with a suggestion which did not smell of greed.

Things Incomparably Worse, Now

Yet this was years ago. So far as tariff legislation is concerned, the earlier period was one of comparative moderation and purity; things now are incomparably worse. The situation as it exists to-day cannot be better set forth than in the unblushing assertion of one of these mendicants—as sturdy as they are insatiable—who recently, while besieging the committee room in which the licenses to tax and steal were in course of preparation, did not hesitate to say: "I have got a duty of 65 per cent. on my line, and I control 85 per cent. of the business in this country. I am asking for 120 per cent., in the hope that I will get about 80. If I get 80, not a case of imported stuff in my line can come into the United States, to compete with us." This man was merely typical of the tariff hog. Next to him sits the thief. Not rarely the two are combined. ***

Ultimate Consumer in the Cold

I deem it no exaggeration to say that there is no form of adulterated food known to any trade which has been productive of a tithe of the injury to health of that produced from wearing improper clothing, manufactured out of substitutes, but sold as "all wool." Under the working of schedule K the cost of all-wool wearing apparel has been, it appears, increased about 100 per cent. This excess cost has again, it is asserted, been raised to about 150 per cent. by the duty on machinery.

It is plausibly claimed by those best informed on the subject that cheap and pure all-wool clothing would do more to suppress tuberculosis than is accomplished by the entire system of sanitariums and other agencies now maintained for that purpose. Such being the case, let the record again be appealed to. In the course of the hearings, Mr. Longworth, a Representative from Ohio, and, as such, quite exempt from any imputation of a leaning to the free trade theories, read to the com-

mittee a letter from a manufacturer of woollen goods—a letter most interesting. His correspondent thus wrote to Mr. Longworth: "As a manufacturer of clothing for a period of almost fifty years, I can truthfully state that I never handled cloth of so inferior a quality for the price as I do now. The masses, consisting of laborers, mechanics, and farmers, the real users of ready-made clothing, are receiving practically no value for their money. The qualities and colorings are so poor that in many instances the colorings fade and cockle, and in the manufacture of garments give positively no satisfaction to the wearer."

Another expert thus expressed himself directly to the committee: "Manufacturers, in order to continue to run, either reduce the weight of their cloth, or make it out of cotton; and the higher in price wool is, the less wool is used." He then went on to assert: "I think it no exaggeration of fact to state that during this high-priced wool under the Dingley bill 75 per cent. of the people have been clad from head to foot, and from skin out, in cotton, and the other 25 per cent. have been cheated by having to wear paper cloth in summer and light-weight cloth in winter. Had all used wool, wool must easily have sold at \$1 per pound. Indeed, one wool merchant of whom I know tried to corner the market on this basis; but he did not reckon on the use of cotton, and lost a fortune."

Where Ignorance is Bliss

Such was the evidence; nor do the facts stated seem to have been devoid of truth. Yet what was the almost unbelievable sequel? When schedule K was under consideration in the committee a witness asserted that there was no question whatever that a vast portion of the people were wearing cotton shirts in the belief that they were wearing woollen shirts. With delightful cynicism Mr. Crumpacker, a Representative from Indiana, then observed "What is the difference, if they don't know it?" Perhaps the difference in question could best be defined in the words "seeds of tuberculosis."

"What is the difference, if they don't know it?" Marble in sugar, shoddy in shirts, it's all of a piece; and, probably, no single utterance in all those prolonged hearings so concisely, so brutally, and so truthfully set forth the real attitude and true inwardness of those now known as the "stand pat" protectionists.

BYRON W. HOLT

What folly, all this protection talk that we have been hearing since most of us were born! How unscientific; how uncivilized; how contrary to nature. How much better would be absolute free trade—"The international common law of the Almighty," as Richard Cobden once wrote. Either science, that is, division of labor, co-operation and free trade, is wrong, or protection is wrong. If economic science is right there is no sound reason for protection in this country at this time.

And there is no political reason either. Not only does this country produce most cheaply the things most essential for self-defense in case of war but it also produces the necessities of life, comfort, and happiness more cheaply than they can be produced anywhere else, all things considered. This is by virtue of its unrivalled natural resources and in spite of tariff-restricted trade with foreign countries. Our country is such a giant among nations, with such enormous natural strength, that it can overcome many artificial handicaps in production.

There is no argument for protection in this country at this time that is not clearly unsound and illogical, when carefully and coolly analyzed. All is sophistry of the cheapest and flimsiest sort—that is, to trained minds. As, however, protection sophistry can be made plausible to untrained minds, our protected interests and their agents have become adepts in propagating the false theories and cunning deceptions that have caused our millions of consumers to vote, bi-annually, money out of their pockets and into the pockets of the tariff-favored few.

A "Scientific" Tariff Bill

We hear much these days about a "scientific" protective tariff bill—one in which the duties are just sufficient to cover the difference of cost of production here and abroad and allow a "reasonable profit" to domestic producers. How ridiculous! What a basis for a "scientific" tariff! This difference is not only unknown and must forever remain unknown, because private manufacturers will not publish their profits, but it is constantly shifting from year to year. Moreover, the cost of production differs in different countries and in different parts of the same country. To cover these differences in different countries and to keep them covered even roughly from year to year would require about 100 different rates of

duty for each item and all would have to be overhauled and changed at least once a year. The thing is preposterous!

Professors' Necessary Subserviency to Protectionism

I reasoned in this way in an address that I made before the American Academy of Political Science at Columbia April 24th. I said that, "although protection does none of the things that it is credited with doing, and although it nearly always works backward and does the reverse of that which its friends claim that it does, yet, in actual practice, it has so deluded men's minds and so obscured their reasoning faculties that even college professors, with all of their scientific acumen, have been, of late years, as a rule, unable to reach any but compromise conclusions as to the effects of protection. Most of them are strongly inclined to teach their students that, while in theory "protection" may be unsound, yet in practice it operates in some mysterious way to increase wealth, to raise wages, to diversify industry, to encourage manufacturers, to furnish work, to give us home markets, to provide revenue, to promote prosperity and generally, to make practically everybody comfortable and happy without burdening anybody in particular."

More than twenty years ago, Professor Sumner of Yale, in his book "Protectionism," spoke of "the protectionists who run colleges and those who want to burn them down; the protectionists by investment and those who sin against the light." There is less need of burning colleges down today. But few of them are now teaching free trade heresy. The steady pressure which has been so persistently applied has proven effective. Professor Sumner, himself, is the greatest heretic left—the greatest throne in the protectionists' seats of learning. He expresses himself as follows:

Protectionism seems to me to deserve only contempt and scorn, satire and ridicule. It is such an arrant piece of economic quackery, and it masquerades under such an affectation of learning and philosophy, that it ought to be treated as other quackeries are treated. * * * Protectionism arouses my moral indignation. It is a subtle, cruel, and unjust invasion of one man's rights by another. It is done by force of law. It is at the same time a social abuse, an economic blunder and a political evil.

Undoubtedly the world would still be flat and the sun would still be trav-

elling around us, if there had been sufficient commercial reasons for maintaining the old order of things. Apparently it would have been easier to have kept the majority of men in astronomical than in political darkness. One is as easy as the other when commercialism and privilege hold the reigns of government. Bastiat says, in his "Sophisms of Protection":—

The world is not sufficiently conscious of the influence exercised over it by *Sophistry*: When *might ceases to be right*, and the government of mere *strength* is dethroned. *Sophistry* transfers the empire to *cunning and subtlety*. It would be difficult to determine which of the two tyrannies is most injurious to mankind.

Economic Progress and Commercial Interests

But the economic progress and commercial development of the country has now advanced to the point where the same commercial interests which have influenced the professors to suppress the teaching of free trade are beginning to realize that the markets of the world are within their grasp, if they can get their materials under natural prices and conditions. They are becoming restless under the artificial restraints of protection and are casting aside all former fear of not being able to stand unassisted on the most advantageous industrial site on earth. Our economic professors are now in real danger of being left in the very humiliating and ridiculous position of being on record in foolish and unsatisfactory economic declarations, or in quibbles, straddles, or evasions, while the business men have passed on to surer and wiser ground.

Net Protection to Most Manufacturers a Minus Quantity

It is fortunate for our colleges that protectionism is breaking down from its own weight. The manufacturers, themselves, have at last discovered that a comparatively few of their number get the lion's share of the tariff bonus and that the net protection to most manufacturers is now a minus quantity. The farmers, too, are fast reaching the conclusion that they have been getting only the husks of protection while others were getting the kernels. The National Grange recently took a position against protection. Organized labor has also awakened to the fact that with labor on the free list there can be no protection for workingmen by means of a tariff tax on what they have to buy. What

workingmen want is a tax on immigrants that will make labor scarce and dear, just as the tax on goods now makes them scarce and dear.

Far-seeing captains of industry, like Andrew Carnegie and James J. Hill, have reached the conclusion that this great country is handicapped by too much protection and that it will the more quickly and certainly attain its destiny—the commercial supremacy of the world—if it lowers, or removes, its tariff bars. The 50 per cent. increase in the cost of living since 1897, due, in part, to the Dingley tariff and its big brood of cormorant trusts, is rapidly creating dissatisfaction and discontent amongst our professional and clerical men. Even voteless woman is talking against tariff-taxed homes, food and clothing. Soon there will be but a small minority to support and defend "protection." It is fortunate for the protected interests that they are now in almost supreme control of the commanding positions at Washington and that the people of this country have no opportunity to vote directly on the tariff question.

Will Welcome the Downfall of Protection

Thousands of college professors will undoubtedly welcome the downfall of protection and the freedom of thought and speech that will result. They want to feel free to study, to reach scientific and unbiased conclusions in every branch of knowledge, and to state them to the world, without endangering their positions. It is questionable if the time has not already come when it is safe and even advisable for professors in many colleges to begin again to teach political economy as a science, untainted and uncorrupted by any dogmas or isms. Other things being equal, thousands of parents will, in future, send their sons and daughters to non-protectionist colleges.

Is it not clearly evident to all intelligent and impartial men acquainted with the facts that our colleges have ceased to fulfil their proper functions? Have not our founts of knowledge been poisoned at their sources? Can they live on the "graft" of tariff trusts and other special and harmful privileges without being tainted and contaminated? Mr. Wm. Lloyd Garrison said, in his speech to the students of Michigan University on November 20th last, that "the universities should inspire the divine courage to forego glory and popularity in behalf of truth and common weal, even at the expense

of persecution and misunderstanding." He also said that "In a university political economy should be treated with the same unflinching adherence to principles as are the subjects of astronomy and the higher mathematics."

Why Colleges Oppose Radical Reforms

Can our subsidized, or willing-to-be subsidized colleges teach political economy impartially? A few years ago a friend, whose scholarship is very high, told me that he had lost a prospective professorship because he confessed to harboring "Iowa ideas" on the tariff. He thought that the position was his until he was interviewed by financial pillars of the college, who asked about his views on public questions. He was told plainly that, although he was a Republican and protectionist, his tariff ideas were unsound and would debar him from the desired position.

A professor, therefore, who has positive reform ideas that are decidedly unpopular with philanthropists, hesitates to teach them. He does not want to obstruct the upbuilding of his college. Some professors resign before they begin to propagate reform ideas. A few propagate the ideas and await developments. In these facts we find the main reason why colleges usually support existing institutions and oppose all radical reforms—until they are accomplished.

Professor Seligman admits that formerly our political economists taught free trade. He explains this fact by saying that they were followers of Ricardo and Adam Smith, that they viewed things from the standpoint of the consumer and that they had in mind the good of mankind as a whole rather than the needs of any particular country at any particular time; that modern economists were close to the business world and more inclined to take the viewpoint of the producer and of the particular country under consideration. For these reasons, he affirms modern economists were more practical and more often protectionists.

Calling a Tail a Leg

To me, this is an explanation that does not explain. That is, it is sophistry. Calling a dog's tail a leg does not make it one. Changing the viewpoint does not alter the fact. Water does not run up hill when I stand on my head. It is a fundamental fact in economics that production exists because of consumption and not that consumption exists because of production.

We do not wear clothes simply because they are produced; we produce them because we want to wear them. If there were no demand for clothes there would be none produced. Economically considered, it is the business of producers to make clothes as cheaply as possible. It is their function to serve consumers. It is absurd to attempt to teach political economy as a science, after reversing the natural order of things. As well attempt to teach physics on the assumption that gravity works backward.

WILLIAM LLOYD GARRISON

Relinquishing the active conduct of the League to younger and more vigorous hands, I desire to express my unabated interest in the work and my hope that the honorary place of president may give me scope still to serve the cause according to opportunity and strength. If ever one might wish for youth and vigor, it is at this stage of the reform when, in the face of overwhelming odds, the effects of a quarter century's agitation are surely manifest. "The morning light is breaking, the darkness disappears." We may well sing the old hymn with fervor. Whether soon or late the triumph of free trade in the United States can be celebrated, it is certain that the country cannot relax into the contented servitude of an unmasked system of pilage. Conditions forbid it, the self-interest of heretofore protectionists forcing them into the ranks of rebellion. La Follette, Cummins, Nelson and Beveridge indicate the uprising. Finally, the law of preservation drives men into righteousness.

With this League's new starting-point, where we pause for a moment to take a fresh reckoning, it is well to emphasize the value of abstract truth fearlessly spoken. "The foolishness of preaching" has been the world's evidence of its highest wisdom. In the never-ending fight of force against right, of narrow expediency against broad and eternal principles, the eventual triumph is not to the time-servers. Men labor and die without sight of the promised land, often weary and discouraged, but sustained by faith in the universal laws,—as peremptory in human as in physical facts of the universe. In retrospect no comfort is so great as the consciousness of having acted the manly part and refused to go with the multitude to do evil, "ere the cause bring fame and profit and 'tis prosperous to be just." To this and kindred Leagues young and earnest men and women should count it a

privilege to lend their help and enthusiasm. In such unselfish work they will unconsciously acquire an education of greater price than any schools of learning can afford. This is the hour of opportunity.

But my chosen theme this evening relates to the cure of municipal unrighteousness by the regeneration of the national conscience. I call it:—

The Matter with Boston

Boston is confessedly a sick municipality. Doctors of every school are crowding upon the patient pressing their remedies, while consultations are frequent and anxious. So conspicuous is the case that Dr. Lincoln Steffens, that approved expert on civic ills, has become a resident of the city to make a special diagnosis of the ailment. When we consider the experienced opinion of ex-Mayor Matthews, that "there is no city on the face of the earth whose municipal political corruption has developed itself in such an insidious and radical manner as in Boston," the gravity of the case needs no further emphasis.

Amid all the wordy discussions by self appointed citizens or business organizations, the outside observer is struck by the haste to administer palliatives, and the apparent insensibility to the cause of the trouble. Suggestions are overwhelming and mutually self-destructive. The absence of clear principles to guide the necessary treatment breeds a confusion leading to despair. It is therefore in order to ask why, in considering this tragedy, the reformers studiously exclude Hamlet from the cast.

An Alienist Wanted

Properly it is a task for the alienist. For the adage still holds true that "Boston is not a city but a state of mind." That she is suffering from pronounced aberration is self-evident. Here she sits by the sea, a monarch by divine right of the international highway commanding the world's commerce. Having the boon of boons she treats it with the recklessness of a profligate scattering his coins. Tantalizingly near to the coal mines and forests of Canada, within easiest reach of the iron ores of Cuba, nearer in point of time for freight purposes to old-world ports than to the cities of the Middle West, she forgets her mercies and resigns her heritage. Wealth, which by the law of gravity would seek our harbor, is shut out by artificial laws to which Bostonians eagerly consent. What greater proof of insanity? Committed

to a policy that vetoes her most profitable exchange of merchandise and has exterminated once prosperous industries, she connives at a system which fattens a class at the expense of the people. Echoing the lying shibboleth that the scheme to rob labor is the salvation of the laborer, what could possibly follow but her loss of self-reliance, a pauperized spirit, and the ambition to get rich through privilege instead of equal service?

From this condition of mind logically proceeds the corruption of the city, which is only national graft adapted to municipal use. When prominent congressmen are swollen with wealth and political honor through laws of their own making, why reproach the rulers who have captured a city for using their advantage in like manner? To profit personally by office-holding has been the approved custom ever since protection made it easier for men to be dishonest than upright.

Granted that the present hue and cry is against municipal bosses whose offences bring them within the shadow of the courts. It is safer but is it worse to commit theft under the cover of law? The acts are one in essence and the culprits are bright enough to know it. Hence the lordly disdain with which they treat the charges of Mr. Matthews. Whether legal or illegal, Lowell's dictum holds true:

The ten commandments will not budge,
And stealing will continue stealing.

Paternalism Breeds Dependence

Ignoring the demoralization which comes from conscious perversion of the people's trust, there is and must be degeneration of character among the mercantile and professional classes, evident in lower standards than those prevailing where equal laws preclude temptation. It makes a self-respecting Bostonian blush to think of the immense London and Liverpool docks, built by the enterprise of the citizens; of the deep harbors guarded and dredged by municipal expenditure; of the great shipbuilding industries of Glasgow and Belfast; of the Manchester Canal, excavated and sustained by the commercial interest of the city, and contrast these noble examples with the abject petitions of Boston for the national government to improve her reproachful harbor, and for subsidies to help build unprofitable steamships. And steamships without the tariff would be spontaneous and gainful productions.

Even on Cape Cod, the early nursery of American seamen, if entrance to a

bay is wanted for the yachts of rich summer people, it is extorted from the great and General Court, through the operation of the lobby, thereby taxing the people of Berkshire and the other counties for the sake of opulent men reluctant to put their hands in their own pockets. No doubt that Berkshire retaliates when it can, but the practice is demoralizing, although it squares with the tariff instruction we are now getting from Washington. And the legislative obsequiousness to the demand of privilege revives the pungent comment of Wendell Phillips on the State House emblem: "That cod! It ought to be whipped spaniel!"

A Humiliating Contrast

If more reasons for municipal disgrace, State extravagance and national waste of the country's resources are needed they are abundant. But we can better realize conditions by contrast. There was a Boston, within the memory of many living, whose civic history can be read with glowing pride. It chose for rulers citizens of unquestionable integrity and public spirit. Scandals were few and irregularities punished, not condoned. This little peninsula was a synonym for power and probity. To the aboriginal dwellers on the Pacific Coast every white man arriving from east of the Mississippi was called "a Boston man." It was Captain Gray, in a Boston vessel, who first sailed up the Columbia, naming the noble river after his ship. Every port of value in the world was familiar with Boston shipping and the leading merchants of the town had a cosmopolitan fame. Their fortunes were made in honest trade, giving service for service. Courage and self-reliance were their dependence, not congressional favor. They took bold risks and faced losses manfully, not playing business games with loaded dice. No partial laws made in their interest accounted for their wealth. They welcomed the competition of merchants in every clime, earning and not filching the prizes of trade. Their mercantile principles were fixed and they accepted the laws of trade as they accepted the currents of the ocean and the trade winds. This upright code developed characters hard to parallel in these days of quick fortunes, the unwholesome fruit of gambling. If wealth came slowly it was more stable.

Consequently Boston was famed for great citizens. Europe opened her courts and social doors to them. When we repeat the names of Adams, Everett, Ticknor, Abbott, Lawrence, Pres-

cott, Bancroft, Motley, Lowell, Sumner and their like, we wonder with what citizens we could match them to-day as representatives of a proud municipality. With what face could they have defended such transactions as make our city government a scandal to the world? The record of the city is a weight upon the Commonwealth, no longer an influential political factor in the nation, and out of the running when a president is to be chosen.

Decadence of Character

We need not have felt humiliated by the precedence of Chicago and other populous rivals in the west, had we kept our native flavor and distinction. We might even bow with grace to the new export supremacy of Galveston.

We have sold our birthright for a mess of pottage. In the day of the Perkinses, Forbeses, Cushings, Russells and their compeers, commerce was honorable and New England homes cherished precious tokens of the Mediterranean and the Orient, not less cherished because not tariff-taxed. Then women dressed in silks of substance and men wore clothes of wool unindulged by cotton and shoddy. The patriotisms of using inferior goods for a benevolent purpose was a virtue not then acquired. Neither was the device of increasing the wages of labor by making costly the workman's daily needs. When the war and the consequent high tariff destroyed New England shipping, the great merchants, with characteristic enterprise, turned to building the continental railways and still kept Boston the centre of capital and influence.

All that is changed. To tariff taxation is added the embarrassment of onerous port charges burdening imports and exports. If ocean commerce were paralyzing instead of life-giving, methods to discourage it could hardly be more ingenious. We languish for wool, hides, lumber and fruits, and then discriminate against them as if they brought the plague. We have reached the day of the American Woolen Co. and the Arlington Mills and are on the dizzy verge of the Payne Bill. But we are consistent with the new gospel of wealth. Boston shows it by driving away its opulent citizens with inquisitorial taxes and then complains that its decadence is due to foreign accessions of population. Its motto is: "Wherever the head of commercial promise shows itself, hit it with a tax."

The frowning custom-house at the foot of State Street, more obstructive to commerce than the fogs and shoals

of Massachusetts Bay, is about to obtrude its presence by a sky-scraping addition. Irreparable mistake! Protection cannot bear the light. It needs a subterranean space for its system of darkness. Its nature is to burrow, not to soar. It may be building better than it knows, for more enlightened future occupants averse to chronic interference with trade. Until that better time arrives, the flaunting edifice may serve to remind the citizens alluded to by President Eliot, living near the obscured water-front, that Boston is a seaport. Ultimately it may signify a welcome instead of a menace to commerce. But that better manners and purer laws will be domiciled in the three hilled town while the creed prevails that private interests are best served by public spoliation, and that the game of "beggar my neighbor" can increase the general wealth, is the delusion of disordered minds.

With this obsession concerning the upbuilding of a just commonwealth, no wonder that committees of doctors are on a quest that studiously avoids the root of the difficulty. They may devise new schemes of organization, set closer watch upon the thieves, facilitate street transportation, substitute one or five man rule in place of democracy, and put good men in the city hall. But while they cherish the delusion that it is right for idle men to live at the expense of the industrious, they simply plow the sands. After spasmodic periods of virtue the spoilsmen invariably re-enter. What we need is a change of heart and a baptism that shall include the heel.

APE INSTINCT IN TARIFF-MAKING

To the Editor of the Evening Post:

Sir:—While the "Greatest Show on Earth" was in winter headquarters at Bridgeport, Conn., thirty or forty monkeys were kept in a large circular cage, separated by wire partitions. At feeding-time each monkey received his separate portion, but, instead of eating it, the highly intelligent animal would thrust his hand through the grating and grab some of his nearest neighbor's food. While thus engaged, his neighbor would be pilfering from the next compartment, and so on, all around the cage. The result was that a lot of the food was spilled and wasted, and, in the end, few of the monkeys got as much as if they had contented themselves with their own portion.

In Congress to-day we find the manufacturers trying to steal from the consumers; the farmers seeking higher prices at the expense of the workers

who buy farm products; the workers endeavoring to get higher wages by increasing the cost of the goods they make. If they are all successful the net result would be to leave them just where they would be with no tariff at all. But the ape instinct is too strong in humanity as at present constituted, and so Congress will doubtless continue to be the arena in which the game of grab, greed, and graft will be played to the limit by the representatives of the ignorant and short-sighted selfishness of the country.

New York.

Whidden Graham.

MAKING IT CLEAR

I like the tariff speeches, for
The more I read of them the more
I do not know, and thus I can
Rely upon my Congressman.
Upon the very slightest hint
He gets unending leave to print,
And when he prints a speech, you see,
He takes and mails it out to me.

He makes it very clear just how
If I pay more than I do now
For socks and gloves and baby's dress,
While I pay more, they cost me less.
And then he shows me where I lose
By paying somewhat less for shoes,
For, though I pay less than before,
My shoes, they really cost me more.

He makes it very clear to me
That what I lose I gain, you see;
And on such things as clothes and
shoes
I seem to gain, but really lose.
Thus, if I buy my socks too low,
They'll still be higher, don't you know;
And shoes I thought, were high last
Fall,
Were really low shoes after all.

You see, if I pay less for shoes
Or hats, the maker has to lose,
And if he loses, then, you see,
He charges up the loss to me.
Now, when I have to pay him more,
He reckons profits to his score,
And thus there is a share for me
In all of this prosperity.

The speeches shed a radiant light
Upon the theme and make it bright;
I merely read them o'er and o'er
And find more's less, and less is more;
In buying hat or coat or vest,
Dear's cheap, and cheap is dear at best;
High's low, low's high, far's near,
near's far,
Light's dark, white's black—and there
you are!

—J. W. Foley, in *N. Y. Times*.

SNEAK-THIEVERY MASQUERADING AS PATRIOTISM

Gratifying indignation has been displayed by even the high-tariff press at a tricky and thieving Sugar Trust. Cheating the Treasury by false weights, and so, in effect, filching money from every citizen, has been virtuously denounced. But while this robbery against the law has provoked wrath and scorn, open preparations to rob by means of the law stir these protectionist censors to no anger. Yet what is the real difference? How much worse is the moral standing of the man who steals from the public by lying scales, than that of the man who gets his hands in the pockets of his fellows by virtue of the tariff? For our part, we prefer the avowed burglary to sneak-thievery masquerading as patriotism. If a powerful corporation, by dint of political bribery and secret influence, is allowed a "differential," or some other form of special favor, by statute, enabling it to mulct consumers to the tune of \$40,000,000 or \$50,000,000 a year, we have rather less respect for it, and for the process by which it enriches itself, than for the acknowledged pickpocket or "second-story man."

Names Cannot Alter Morals

Names cannot cover up facts or alter morals. If it is disreputable to hire a weigher to falsify records, it is just as disreputable to "see Aldrich" and get your tariff duties "fixed" so that you can lawfully collect tribute from all your countrymen. The latter method is being pursued at Washington amid general applause; but when an unlucky Trust is caught doing practically the same thing lawlessly, we all rise up in horror. But cheating and oppression are what they are even if legalized. The moral quality of a transaction is not changed by the fact that the unfair appropriation of another man's property may be authorized by act of Congress, and may be called our glorious American system of protection.

There have been exposures in Congress of the knavery of the sugar schedules, really as crushing in their way as the revelations before Judge Holt in court, yet no one gets excited about them. They are simply the time-honored ways of cheating the people and calling it protecting infant industries. There is, to the discerning mind, just as much material for moral indignation in the taxes proposed in the woollen schedules, now under debate in the Senate, as in any disclosure of Trust stealing and tyranny ever made. Note, for example, how coolly is de-

fended a discriminating tax which will wipe out a certain class of woollen manufacture. What is the difference between this and shutting up a sugar refinery by financial manipulation? When Mr. Whitman obtained his famous rates on "tops and dress goods," in the tariff of 1897, and got them by subterranean and abhorrent means, in what did his conduct differ from any other form of tapping the Treasury till and robbing the public? It was not, indeed, against the law, but no legalization of fraud can do anything except make it doubly disgraceful.

Does Ignorance of the Victim Justify His Robbery

Not only fraud but heartlessness is written all over the proposed woollen duties. This was glaringly put in evidence during the hearings before the Ways and Means Committee. It was shown that the duties on wool and woollen goods compel the American workingman to pay a needless tax of 35 to 50 per cent. on the clothes he wears, or else to be hoodwinked into buying a coat made of shoddy which will fall in pieces the first time he is caught out in a hard rainstorm. It was proved, moreover, that a great proportion of the people who believe that they are wearing woollen shirts in winter are really wearing garments mostly cotton. Thereupon up spake Representative Crumpacker, a mighty defender of the noble American system of protecting the workingman: "What is the difference if they don't know it?" He might just as well have asked: "What is the difference if the Government doesn't know that the Sugar Trust is stealing \$2,000,000 in unpaid duties?" The veriest ditcher in England is treated with more decency than our cherished laboring classes. When Reuben Shillabeer crawls out of the water and asks David Bowden for a dry wool shirt, he knows that he will not get a thing nine-tenths cotton. Protection against the weather, protection against pneumonia and tuberculosis—these things go for nothing with our unfeeling protectionist Congressmen. Clap on the prohibitory duties and let the poor go in patches or in cotton—provided "they don't know it"!

Well, they are beginning to "know it" as they never did before. There has been a more thorough showing up in Congress of the essential greed and dishonesty of a protective tariff than we have seen for many a year. The work of the Western Republican Senators

who are in revolt against Aldrich, has been of immense value. They have had their constituents and their State newspapers behind them, and the knowledge about tariff iniquities which has been spread abroad in speeches and biting editorial comment and mordant cartoons, has carried new light and provoked new heat. The fundamental nature of the protectionist demand is now better understood than at any former time. It is, that Congress issue to favored individuals or corporations a license to tax—that is, to rob by law. Wealth heaped up by tariff privileges is, indeed, as was declared by Prime Minister Asquith the other day in Parliament, the really offensive "unearned increment." Whatever may be done with the unearned increment in land, the only thing to do with the unearned increment got through protective taxes is to abolish it. Instead of laws to facilitate disguised robbery, it is time that we had some to extinguish it.

—*New York Evening Post.*

REVOLUTION

If, maddened by oppression, men have torn

Their shackles off, and in an evil time

Spurned all restraint, and steeped their souls in crime,
Trampling laws, customs, creeds, in utter scorn,

Giving the rein to license, and through blood

Wading in quest of unsubstantial good,

Till Earth the frenzy of her sons doth mourn—

Reproach not Liberty! The winds long pent,

Volcanic fires repressed, in finding vent

Sweep on in desolation. So are born
All monstrous crimes of Tyranny—rapine, lust,

Murder, convulsion: then on her alone

Be vengeance heaped! And Earth and Heaven will own

The terrible retribution wise and just!

—*William H. Burleigh.*

Great as is the power of Free Trade in enabling us to take advantage of general prosperity, Free Trade would be a greater necessity as a safeguard of insurance against times of adversity, when cheap food and cheap raw material make the whole difference.

—*Asquith.*

CURRENT PRESS OPINIONS ON THE TARIFF

WHO PAYS THE TARIFF?

So it is not the tariff after all that raises prices to the consumer. That is a "patent economic fallacy of the Democrats." Senator Hale says so, and he knows, for he has been a high-tariff man all his life.

When Senator Hale votes for a tariff duty on print paper, in the manufacture of which his son is interested; when Senator Scott votes for protection for glassware from his own factory; when Senator Elkins votes for protection for coal from his own mines; when Senator Guggenheim votes for protection for lead produced by the Guggenheim smelters; when Representative Fordney votes for protection for lumber from his own mills, they are not seeking an increase in prices for the benefit of themselves and their relatives and partners. The tariff does not affect prices. That is a stupid delusion on the part of the consumer. If he doubts it he has Senator Hale's solemn word for it that "the householder is paying nothing to a protective tariff that builds up American industry." It is the retailer who is the guilty wretch, the son of iniquity, who makes high prices and practices extortion upon the consumer.

The foreigner, it seems, is no longer paying the tariff. He used to, but that was before the protectionists changed their arguments. The consumer does not pay it, as Senator Hale has proved. There are no consumers anyhow, for Senator Lodge says they are all producers. Naturally the retailer does not pay it, for he robs the consumer, who is a producer.

Who does pay this tariff? Why, it must be the tariff beneficiary himself, like Senator Hale's son and Senator Scott and Senator Elkins and Senator Guggenheim. He is the wretched victim of the beneficent system, and out of charity to himself he wants duties raised so as to be relieved of his burdens.—*New York World*.

* * *

A NOVEL TARIFF DOCTRINE

It is decidedly a novel tariff doctrine that was presented recently by Congressman Gillett, of Massachusetts. His preaching was to the effect that tariff should be laid heavily upon the necessities of life—tea, coffee, sugar, shoes, clothing and the like—so that the mass of people would realize that they are paying taxes for the support of the government; that the extraordinary and rapidly growing expenses of the government are paid out of the pockets of the people and not absorbed from the atmosphere, as seems to be the common belief, judging by

the general indifference to the expenditures. The theory is that if the people know they are paying the fiddler there will be less dancing at the gilded carnival of national extravagance, that the people "won't stand for it," and so on. As a confession that the tariff tax is paid unconsciously this is unique and convincing; but if Mr. Gillett thinks that the only effect of his method of placing tariff taxes will be to make the people scan expenditures by the government he is very much mistaken. The day that the people are made familiar with the character of the tariff tax, are made to see that they not only pay the tax, but three or four profits on it besides, and pay ten times the tax in the way of higher prices for home-made goods, made higher by the tariff protection to those who make them—on that day the funeral bell of the system will begin to toll. The long lease of tariff's life in this country is due to the ignorance of people regarding its real character. Mr. Gillett—doubtless unconsciously—would educate the people, an extremely illogical thing for a high tariff advocate to do; something that Congress is not likely to let him do.

—*Farm, Stock and Home (Minneapolis)*.

* * *

AN ISSUE "GONE GLIMMERING"

The great Democratic issue of tariff for revenue only or free trade on which Grover Cleveland lost his second fight for the presidency, and won his third, has gone glimmering. The Democratic party can never with any show of consistency, make another national campaign on that proposition. The South has abandoned it, and now cottons fast—as they say down there—to the Republican principle of protection for American industries—especially its own.

Senator Bailey of Texas, the Democratic leader, votes for a duty on iron ore. Other Southern senators follow suit, and even Tillman of South Carolina, wants a tax of ten cents a pound on tea, as protection for an infant industry in his State. Senator Bacon of Georgia refuses to be bound by the Denver platform; Senators McEnery and Foster of Louisiana want a protective duty on sugar; Senator Simmons of North Carolina insists on retaining a duty on lumber. To cap the climax, the stalwart old Virginian, Senator John W. Daniel, stands up in his place and says: "I want to protect American interests. That is my policy. I don't care what name you call it; I am for it." "A Daniel come to judgment! Yea, a Daniel!"

—*Buffalo Commercial*.

TARIFF IMMORALITIES

Readers of the Senate debate will note that the case for products of the farm and orchard was instantly altered when it became a question of setting up a domestic monopoly. Mr. Root's argument against the monstrous duty on lemons demanded by the California growers was fortified by fact and reason. He showed that the existing protection was more than ample. California lemons can be laid down in New York at sensibly lower prices than the imported article, notwithstanding the cheap ocean freights as against the long haul overland. Yet it was proposed in the Aldrich bill to increase the duties 50 per cent. The object could be only to mulct the consumer, and give to the Californians a practical monopoly of the supply of a common article of food. But this demonstration was of no avail. The higher duty was voted 43 to 28. Aldrich held his men in line for this agricultural duty despite his indifference to other schedules of the kind. The reason was, we presume, that he had bought the votes of the California Senators for the cotton and woollen and steel and iron duties, by promise of a thumping increase on lemons, and stood manfully to his bargain. Thus was protection justified of her robber children.

Such displays as the Senate is daily giving us are enough, one would think, to convince even Mr. Roosevelt that there is such a thing as a moral question in the tariff. He could never see it; and hence always found it politically inconvenient to come out for tariff revision. But if moralists have nothing to say about the performances in the Senate, they ought to hold their tongues about every form of cheating, false pretences, and political chicanery. If they cannot perceive the moral aspect of the tariff, suppose they try to discover its immoral aspect. Is it nothing that men stand up to legislate money into their own pockets? Is there nothing to stir indignation in the sight of Senators bargaining away every day, by the most open of log-rolling methods, the right to tax the whole community? If such a thing as political turpitude and public corruption exists anywhere, here we have it.

—*New York Evening Post*.

* * *

WOMEN AND THE TARIFF

The framers of the new tariff seem to be under the impression that women having no direct political power, may be taxed with impunity. Accordingly the Committee has put into the new Payne tariff bill very heavy additional duties on hosiery, gloves, stockings,

shoes, and other articles of women's wear. These are called a tax on "luxuries." Apparently the committee suppose that women are in the habit of going barefooted and bareheaded, even in winter, and that hats and underwear are not necessary for feminine comfort. They lose sight of the fact that women, being habitually underpaid, feel the advance of prices far more keenly than men do. To the millions of mothers in their homes, struggling to make ends meet, even the addition of a cent a quart on milk is a catastrophe, and a cent additional on shoes means to go without something else.

—*The Woman's Journal*.

* * *

SHAMELESS AND FEARLESS

Hypocrisy, deceit, bad faith, false pretences and trickery are not counted among the virtues. They are vicious and detestable. Of these vices the Republican leaders in the Senate are guilty. They make no concealment of their guilt, they cannot conceal it. They are shameless and, we suppose, also, they are fearless. What have they to fear? At most an exposure of their deception, but that has happened to them before. Probably they expect that most people will simply grin at the success with which they have played the same old game of swindling the people.

A man would hardly be amused at hearing that his aunt had been arrested for shoplifting, nor would he chuckle inwardly if his wife's brother had been indicted for stealing sheep. Shoplifting and sheep-stealing are not more vicious and detestable than the tariff game which the Republican senators are now engaged in playing. By their acts hundreds of millions of dollars will be taken from the pockets of the American people primarily to swell the profits of manufacturers who have made their bargains with the Republican party, and, in the second place, for the partisan advantage of the Republicans. The stealing of sheep, in fact, is a peccadillo compared with this monstrous fraud and robbery.—*N. Y. Times*.

* * *

Nations alive with national spirit cannot disregard one another in their highest rights. They must give as well as take. They must look upon the world, not upon their own territories alone. Intercourse is the great civilizer. The stronger the nations the more they will trade with one another. And the more they trade the more they will realize that man is one great family, and that the injury to one in the group of nations reacts instantly to the injury of all.—*Boston Herald*.

YOU PAY!

Everybody who buys anything is a tax-payer. Must this be cried forever into unwilling ears? The house, the tenement, the lodging you hire is taxed. You pay the tax, or your portion of it, in your rent. Everything you eat, everything you wear, every necessity, every luxury, every amusement you buy is taxed, and you pay the tax in the purchase price. Nothing is free. Free schools, free parks, free concerts and baths, are paid for by the community. You pay your share, although you never saw a tax-bill, and never heard of an assessor. It is because you have acquired the habit of thinking that not you but the other man pays the taxes that you countenance extravagance in government, local or national. You delude yourself. You pay!

Millions of Americans never buy an imported product, and for that reason they take the smallest interest in tariff discussions. They think the other man pays, the man who buys the imported article. They are not interested in what he pays. They forget that the domestic product in the same line, which they do buy, has that tariff duty fastened to it in the shape of a "protection" tax which comforts the producer in the form of extra profit. You pay! The taxes are assessed upon you, and they are higher because of their indirection. You do not see them as taxes. They are masked in the prices of everything you buy or hire. What are you—unskilled laborer, trained man, any kind of wage-earner, professional man? Whatever you do to earn your living, you are a tax-payer, your living is taxed. Nothing you spend money for escapes taxation, not even your five-cent fare. You pay!

Very well. You say that you have a right to say how taxes shall be spent, as much right as any other man. So you have, under our system. But you don't always know what you are doing. You don't take the pains to inquire. You are easily deluded by the appearances of things. They are deceitful. Look deeper, think a little on your own account. You pay!

If you have a right to say your say about the spending of taxes, why not exercise that right in a sensible fashion? It's a duty you owe to yourself, to your family, if you have one, or are a part of one. But you don't do it. You deceive yourself with the idea that the other man pays. Wake up. Look into this matter, and you will see that whenever you vote to spend other men's money you are at the same time putting other men's hands into your own pocket. Everybody who buys or hires anything pays taxes. What, then, is your interest? Can you see it now? You pay!—*Boston Herald*.

* * *

THE MORAL ASPECT OF PROTECTION

The amount of revenue raised for the government by the present tariff is about three hundred millions; the amount which that tariff makes the public pay for what they buy, more than they would pay under a tariff for revenue only, is about two billions. The difference is one of those forms of acquisition which can go by no other name than graft. It is money taken from the pockets of some and put in the pockets of others, without compensation. The tariff is a moral question. Some day we shall vote on it with public attention focused on this point of view.—*Collier's Weekly*.

* * *

WORKING ON THE TARIFF

Lovely work going on at Washington in framing—or, rather, framing up—the trusts' own tariff bill. The Sugar Trust, which was recently caught swindling the government out of hundreds of thousands of dollars through a system of false weights, is fixing the sugar rates. The cotton goods men, who sneaked through Congress the law imposing a heavy additional tax on cheap cottons imported into the Philippines from England, are busy. The Tobacco Trust insists that it be permitted, under the law, to continue to sell short-weight packages.

The woolen, the lumber, the oil, and other pet interests are working hard to work us—and beautifully succeeding! The people have known all this for a long time, but we think that they are beginning to realize the wickedness of the whole business as they never did before. Some day they will rise up in their wrath and put an end to the scandal. For taxes ought to be imposed by the representatives of the people, and the people should know just how much taxes they pay, and to whom they pay them. Neither of these things do they or can they know now.

—*Indianapolis News*.

* * *

The population of the United States consists of eighty millions of persons, mostly consumers, to paraphrase Carlyle's saying. The function of Congress is to tax them as heavily as possible, and to call the process a "protection," not taxation. The consumer's duty is to "protect" everybody but himself, so we are told. Congress believes that he can safely be depended upon to do so. He will even protect Congress in the great enterprise of tariff-mongering. It is "unfortunate," indeed, that he should be reminded of his position. His duty is to pay and die; his not to reason why.—*Boston Herald*.

ENOUGH TO MAKE FREE TRADERS OF US ALL

The discussion of the tariff bill is fit to make free-traders of us all. The present tariff, as it stands, is one of the greatest existing monuments of human selfishness. Its dominant purpose is to enrich the shrewd at the cost of the laborious. Our great body corporate is black with leeches. The present effort at tariff revision is an attempt to pull a few of them off. The leeches are tremendous stickers and suckers, and on every big leech there is an army of parasites. Our whole industrial system is geared to a vast body of special legislation, and is, in effect, a structure whose foundation rests on stilts. Some day it has got to get down to earth again, and meanwhile every jolt that lets it down even a single peg, is a gain. The cure may finally come out of an increased need for foreign markets. When we have to buy freely what the other nations have to sell to us, in order that they may have wherewith to buy what we must sell to them, then at last the protective monstrosities in our tariff may dwindle; then, perhaps, we shall have the tariff for revenue that we ought to have now, and tax-payers will find out, at last, where the money comes from that the federal government spends. As it is, we see money spent, and don't know who pays. All we know is that the cost of living is enormously high, and that a fraction of the population can afford to pay it.

Of course the country has profited, in some things, by protection, but oh, the cost, moral and material, of that profit! The theory of protection for infant industries is not unreasonable; neither is the theory of a tariff for revenue that is incidentally protective. But both these theories have been merged and lost in the on-sweep of the great and primitive theory that it behooves every true American to get the last possible crumb of privilege that he can out of Congress, and to keep everything he gets until he is choked off from it.

The Civil War was fought by the South in the interest of about ten thousand considerable slave owners and their families, and against the most vital interests of all the rest of the Southern white population. To-day there are tens of thousands of Americans, no doubt, whom the Dingley tariff protects and enriches; but how many millions are there whom that tariff mulcts and burdens, and they, all the time, as oblivious to it, as the poor whites were of the cost to them of the

slavery they were fighting to preserve? It is "a rich man's war, and a poor man's fight" again, this fight for the tariff.—*Life*.

* * *

"REFORM IT ALTOGETHER"

As well seek to bail the Atlantic Ocean with a dipper as to revise the tariff and leave a single schedule to mark the trail of its surpassing imposition and tell the tale of its fathomless irony. The words of Hamlet must be literally applied, "reform it altogether," not a classification left to tempt and mislead, not a robbing detail to mystify and make outcry, one straight scale of revenue duties, so that he who runs may read and he who pays taxes may know; may read as out of an open book of big type and words of one syllable; may know to a dollar just what he has to pay for what he eats and drinks and wears, by reason of the tax.

—*Louisville Courier-Journal*.

* * *

A NAUSEATING SPECTACLE

The present exhibition in Washington is singularly nauseating. Stripped of its dignified environment, it stands revealed as a hoggish orgy in which every selfish, brutal passion is let loose, in which trickery that is naked plundering becomes not only excusable, but commendable. Certain so-called "jokers" should be described by an uglier word. Nor does the whole unsavory business smell the sweeter because of the revelations of fraud that have been made at this port. Protection breeds deceit. The sooner tariff revision is over the better, yet this will not justify the conference in meekly accepting flagrant violations of the proprieties.

—*Financial Gossip in the N. Y. Journal of Commerce*.

* * *

If Senator Aldrich and his fellow conspirators wished to prove to the nation that they have no intention of considering the tariff schedules judicially, that they have no concern for the people as a whole, but only for the interests they represent, they could hardly have gone about it in a better way. Were the question of wage cost really a determining factor with them they would welcome any light on the subject from any quarter. But they have already denied that the party to which they belong promised revision downward, and it requires no more assurance to admit that they will hear testimony from one side only. What is the welfare of the consumer between friends and such good friends as they and the trusts! There are cases where anger is confession, and this appears to be one of them. The little confidence game has all been nicely cooked up; it is a neat piece of work—"symmetrical," to use Senator Aldrich's fav-

orite word. Then comes along a blundering President asking inconvenient questions. No wonder the chief prestidigitator, accustomed to dazzling his audiences, is annoyed to have the trick exposed.—*Providence Journal*.

* * *

AT A SUGAR TRUST DISTRIBUTING AGENCY

(Enter Two Country Grocers.)

First Grocer—I want a barrel of standard granulated. What's the price?

Agent—Where's your place of business?

First Grocer—Cobourg, Ontario.

Agent—Export price \$2.60. Here's a 325-pound barrel. The amount is \$8.45. Thanks. (To the second grocer)—What can I do for you?

Second Grocer—A barrel of standard granulated. Two-sixty is pretty cheap, isn't it?

Agent—Where's your place of business?

Second Grocer—Hammondsport, New York.

Agent—That'll be \$4.60—a 325-pound barrel is \$14.94.

Second Grocer—But you just sold that man a barrel for \$2.60.

Agent—Oh, he's a Canadian dealer. He gets the export price, which is \$2 a hundred under the domestic price.

Second Grocer—And that's what the tariff does, is it? I see.

—*Rochester Herald*.

YVES GUYOT ON FREE TRADE

To the Editor of *The World*:

As *The World* in its efforts for pure food and good clothing is defending the cause of the people by opposing, and almost single-handed, a hostile legislation that would make the United States a nation of consumptives and degenerates, perhaps you will give the following from M. Yves Guyot, the universally recognized authority:—

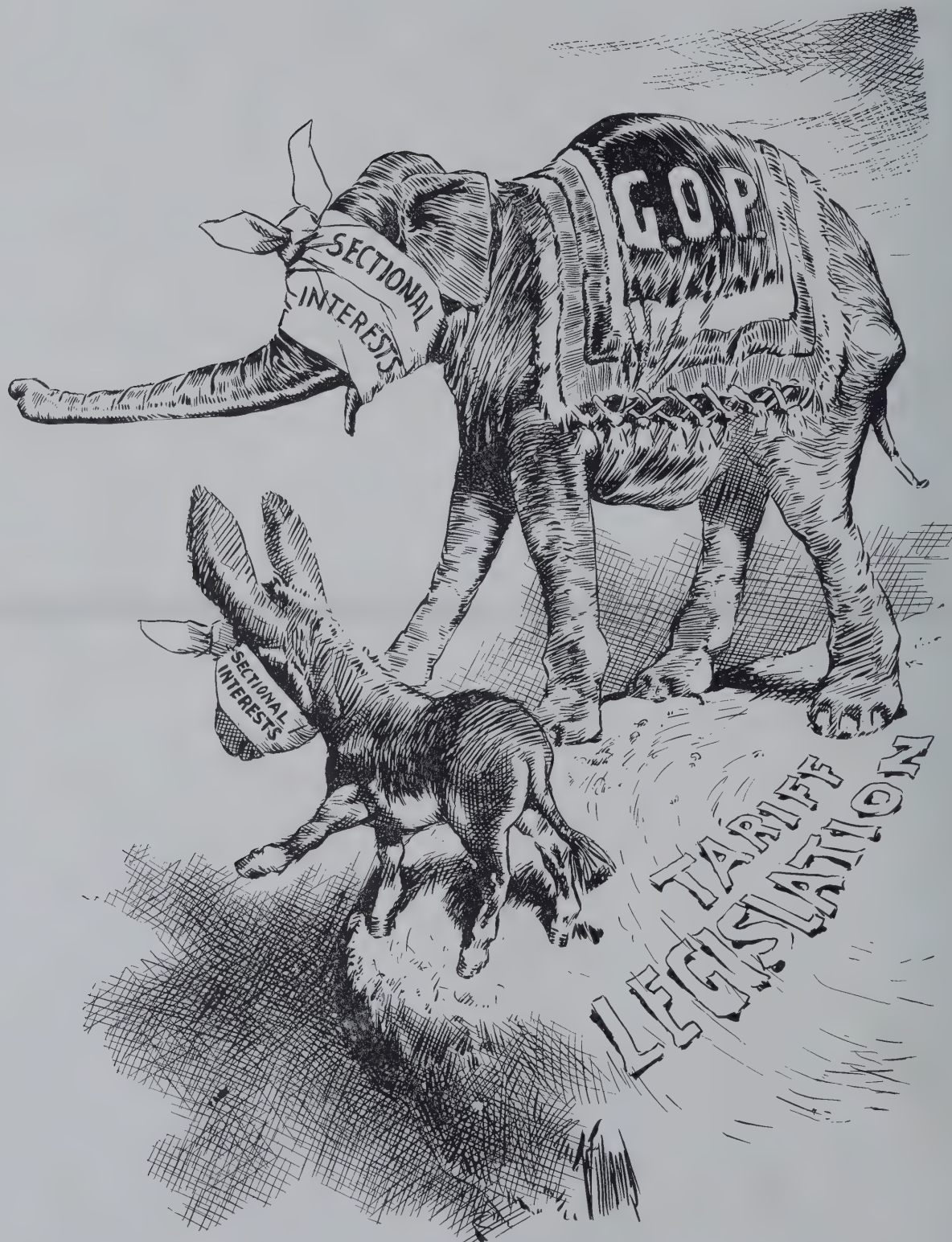
I thank you for the copy of *The World*. The question of free trade is a moral one, I admit, and every protectionist is a robber. His politics consist in transferring to himself the property of others. It is also political, for protection violates two principles; that of equality before the law, as *The World* so justly says, and that of the liberty of contract, for it makes the State a party to the contract.

It is finally economic; and if, for political reasons, certain men plead the necessity of propitiating special interests or particular sections, there is no possible argument in favor of protection that political economy can justify.

—*Leslie Chase*.

Atlantic City.

"WE DON'T KNOW WHERE WE'RE GOING, BUT
WE'RE ON OUR WAY."



From the *Boston Herald*
by permission

As close as sin and plundering joined,
They march to fate abreast.

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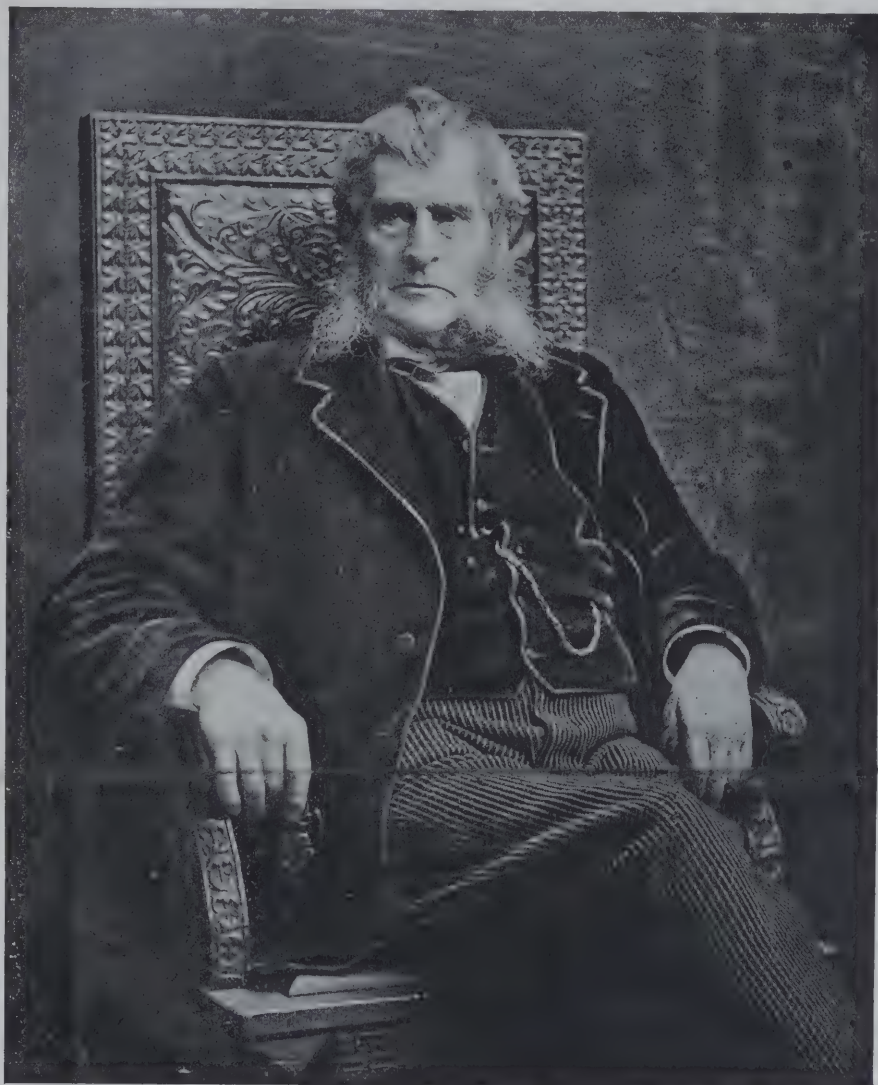
The victory of the people is assured. And it will be retarded less by the exaggerated efforts of our adversaries than by our own dissensions and lack of method. It is assured because the very nature of things and the conditions of life demand it and prepare for it. It will be methodical, reasoned, and harmonious. It is already foreshadowed with the inflexible rigor of a geometrical construction.

—Anatole France.

A NESTOR OF FREE TRADE

One of the most vigorous champions of political freedom, a veritable Nestor of Free Trade, John Bigelow looks forward to his approaching ninety-second birthday with his intellectual powers undimmed and his interest in public affairs unrelaxed. With recollections extending back to the first quarter of the last century, he can remember the days before gas or electricity, when the candles used at home were dipped in the house, where most of the bed clothing was also made; and the wool, spun by the women of the household from the fleece of his father's sheep, was colored by a preparation made from golden rod and sent away to be woven into garments or knit into stockings.

While still a student Mr. Bigelow came in contact with Parke Godwin and William M. Evarts and soon made the acquaintance of Fitz-Greene Halleck, William Cullen Bryant and Samuel J. Tilden. He manifested a lean-



JOHN BIGELOW

ing towards journalism at an early age and the acceptance of an article by the *New York Review* gave the first impulse to a career that was to be largely devoted to letters.

In spite of the enchantment which clings in retrospect about the days of childhood, Mr. Bigelow is doubtless content to let Protectionists sigh for conditions of self-sufficiency so well illustrated by the home made necessities provided by his father's household. He is well aware that the vast improvement in material well being that would be within the reach of all under just laws, has been made possible because no barriers existed to block the free interchanges of trade within the vast borders of the United States. The letter from his straightforward pen, printed on another page, shows

that age has not touched him with timidity nor dimmed his faith in freedom.

"Cato learned Greek at eighty; Sophocles wrote his grand *Œdipus*, and Simonides bore off the prize of verse from his compeers, when each had numbered more than four-score years,

And Theophrastus, at fourscore and ten, Had but begun his '*Characters of Men*,' Chaucer, at Woodstock with the nightingales,

At sixty wrote the *Canterbury Tales*; Goethe at Weimar, toiling to the last, Completed *Faust* when eighty years were past.

These are indeed exceptions; but they show How far the gulf-stream of our youth may flow

Into the arctic regions of our lives, Where little else than life itself survives.

For age is opportunity no less Than youth itself, though in another dress, And as the evening twilight fades away The sky is filled with stars, invisible by day."

TARIFF EVIL AND FOR EVIL ONLY GOOD

John Bigelow Not for Half Measures
in Tariff Reform

A recent letter from the chairman of the Tariff Reform Committee of the Reform Club, asking for financial support, has brought forth the following reply from John Bigelow:

"I have read the circular of the Tariff Reform Committee. But I have no faith in a revision of the tariff, downwards or in any other direction, but regard it as vicious altogether, morally and economically 'evil and for evil only good.'

"Your hope of a revision downwards is an idle dream, as idle as baying the moon for rain. To expect a reduction of the tariff in this country is to expect a dipsomaniac to clamor for water instead of whiskey. The protectionist always wants more protection. Hamilton felt it necessary to apologize to the nation for proposing a tariff of 7½ per cent. on a few articles, a list of which did not occupy the whole of one side of a letter sheet. That was in 1792. More than a century has elapsed, and every excuse originally presented for a tariff has long been outlawed, and yet our tariff has constantly increased until now one-half of our revenue is collected from our imports alone, and upon no other pretext but simply protection for the sake of protection. That half is taken for the most part directly from the producing class, which it impoverishes, to enrich the protected, who may properly be called our slave-owners.

Danger of Civil War

"Your hope from the division of the Administration party over the Payne-Aldrich tariff bill is, I think, largely a delusion. No one can count the number of people that are willing to steal, or go on the highway for a living, whenever public sentiment or the law will say or even countenance the implication that these modes of living are not disreputable. We have before us in the tariff precisely the same issue that confronted us in the rebellion of 1861. The Southern planter wanted slave labor for its cheapness, and the Southern politician for the privilege of having every three negroes the planter owned counted at the polls as equivalent to one white man.

"When the census of 1860 revealed the fact that the political supremacy in this country had been translated by Providence to the north side of the

Potomac; that the privileges which the Constitution had previously guaranteed the South were not only not to be extended into the free territories, but that the supply of unrequited labor was besides exposed to additional peril in the States where it was protected by the Constitution, the South with singular unanimity proclaimed that slave labor was of more importance to her than the Union. The result was that we had then and not till then to get rid of the unrighteous three-fifths protection which the Constitution had given to the slave-holding planters, by a long and bloody war.

"To me it appears that protection is even more firmly fixed in its saddle than ever slavery was, because the property it gives to the protected every year exceeds the total value of the slave property of the United States when it was at its maximum.

"I make no pretensions to being a prophet, and therefore I will only ask what reason is there for hoping for a deliverance from the unrighteous burden of protection by any less severe trials than those by which we effaced the only reproach upon the Constitution of the United States provided by our conscript fathers who framed it. What motive had the Southern planter to go to war for the protection of slavery that the Republican party has not a far greater, to fight for protection?

Debauching Democrats

"Your circular speaks of the conversions of Republicans to free trade, but it says nothing of their faculty for debauching Democrats. With the enormous patronage of the Federal government, it is always easy to secure enough members to hold the balance of power in every Congress. The Protectionists will cheerfully support any measure, however abominable, to secure enough Democratic votes to maintain or increase the tariff.

"For these reasons I am not sure that we can hope for any better result from this extra session of Congress than that Payne and Aldrich may have their way without any successful obstruction, and may give us as monstrous a tariff bill as they are capable of inditing. Perhaps in time, national insolvency, towards which we are drifting with a crazy recklessness, may save us from another civil war. Nothing else will. All appeals for a revision and a reduction of the tariff are like appeals to inebriates not to drink to excess, to burglars not to

burglar so much, to thieves not to steal so often, to swindlers not to swindle the chief of police or the judges of the criminal courts. In each and every case these appeals are not merely a toleration of crime but an excuse for it, just as the toleration of slavery blinded more than half the nation for nearly a century to the fact that slavery was not only a disgrace to any nation, but a violation of the divine law, which had to be expiated by trials proportioned to its enormity.

"When your Reform Committee is prepared to take a firm stand against any tariff upon imports, to make every harbor on our 6,000 miles of sea coast as free to the commerce of the world as those of New York are to those of New Jersey, or those of Pennsylvania are to those of Virginia, I shall be happy to join you and do what I can to promote the success of your labors. In such a work I should have the satisfaction of knowing that I was not even indirectly countenancing a vicious system of taxation, also that I was helping to put our statesmen upon an inquiry for sources of revenue that were not tainted with every crime, save murder, of which highwaymen have ever been condemned by the laws of God or man."

INSPIRED LEADERSHIP

The recent letter of John Bigelow analyzing and denouncing our protective tariffs was an inspiration, and, at this crisis in our taxation question, most suggestive. The protected interests and the Senate, bound together by the "cohesive power of public plunder," have been on exhibition as never before; and the country has looked on and has understood as never before. A large majority of voters in both parties now know that protection means more and still more, never less. For the first time, a serious division has occurred in the ranks of the high protection party, and ten Senators have persistently and consistently opposed the present bill. . . .

Coming just at this time, and under all these circumstances, the letter of John Bigelow shows the wisest and most inspiring kind of leadership.

Let us be honest with ourselves; let us not be afraid to speak and work and vote for free trade; let the newspapers educate the public as to how abundance of revenue can be raised by internal taxes and by tariff levied upon specific articles for revenue purposes with no thought of protection; let us fight this present vicious sys-

tem of taxation from a moral standpoint, and with a self-respecting principle, and not by cringingly asking the enemy for a paltry 5 or 10 per cent. reduction. No great battle for the people's rights can ever be won by such weak, lack-of-principle fighting as we have been satisfied with in the past, and I pray for some political leader who will raise such a standard, and lead us to what would eventually be an assured victory.

—Charles T. Ives, in *New York Evening Post*.

RECIPROCITY GIVES WAY TO RETALIATION

When the new tariff bill comes into force there will disappear from national polity all trace of reciprocity save the single treaty with Cuba. In place of reciprocity will enter commercial retaliation, and we shall have placed ourselves on the same plane of high protectionism as Germany and France. We shall have a high minimum tariff and a still higher maximum or general tariff. The era of concessions in tariff rates will be over for there are no reductions of duties in our retaliatory programme, only an abstention from raising them still higher, provided there is no "undue discrimination" against us in foreign tariffs. In this scheme of retaliation the protective policy reaches its high-water mark, for retaliation means the possibility of application, in a given instance, of prohibitory rates of duty, and the practical extermination of commerce. The protectionist forces have won a decisive triumph in the adoption of the policy of retaliation. They have done pretty nearly what Speaker Cannon said at the beginning would suit the standpatters—they have made the Dingley rates as to important schedules the minimum tariff, and have enacted that the maximum tariff shall be 25 per cent. ad valorem additional to the minimum rates.

The course of international trade, now more than ever, is beset with hostile tariffs, and the manufacturers of every protectionist country rest upon an artificial basis which is difficult and even hazardous to disturb. Like the race for naval supremacy, the race for commercial supremacy through high tariff stimulation knows no place to stop. If tariff reduction is as academic a matter as the reduction of armaments, then indeed are we without much hope. Protectionism is as hard a nut to crack as militarism.

—*Washington Herald*.

A FRAUDULENT BILL

Iniquitous Bargains, Struck in the Dark—Protective System a Sink of Political Corruption

Of the new tariff the *New York Evening Post* says:

Its reception by the press is, at best, a damning with faint praise. Many Republican newspapers, particularly in the West, continue to denounce the bill as falling far short of the pledges made by the party and Mr. Taft, and as containing too many of those iniquitous bargains, struck in the dark, which have come to make protection synonymous with fraud. With public opinion so mixed and heated, a calm and fair review of what has been done, and what left undone, is more than ever called for.

Taking the bill section by section, we find the reductions in duty far more numerous than the increases. This is not saying that the net result will work out in a remission of taxes on the necessities of life. That can be determined only after actual trial has been made. The estimates and predictions made on either side are inconclusive. Certainly, Chairman Payne's table, attempting to prove that taxes have been lowered on \$4,000,000,000 worth of "goods consumed," is worthless. He does not venture to say that the actual cost to the consumer of any one of those articles will be less in consequence of the new tariff. In the metal schedules there has been a sweeping reduction—averaging rather more than 50 per cent. This brings the duties considerably lower than in the Wilson bill. But these iron and steel duties are wholly unnecessary and usually inoperative. Their only effect can be, not to lower present prices, but to prevent a domestic monopoly from pushing prices too high. In other words, the maximum of tariff exaction has been cut down: that is all. What definite benefit the consumer will realize in house and store, remains problematical.

With all the reductions that are to be thrown into one scale, there are certain failures to reduce, with some actual and indefensible increases, to go into the other; and it is a question if these are not heavy enough to outweigh the reductions. First among these outrages, stand the taxes on clothing. These are wickedly made higher. The Wilson bill sought bravely to do something for the con-

sumer by making wool free, and woollen clothing cheaper; but the Dingley law put back the premium on tuberculosis, in the shape of highly taxed wool and woolens, and it is left untouched in the present bill. And the duties on cotton goods are increased. Chairman Payne confesses that the advance is 3 per cent.; but experts in the cotton business have taken the various grades, kind by kind, and duty by duty, and shown that the increases run from 8 to 47 per cent. Now, this right to levy on the common people, precisely like the one conveyed in the silk schedules, was granted in one of those midnight agreements with manufacturers which make the protective system a sink of political corruption. The right persons went to Washington to "see" Aldrich, and came away openly boasting that the thing had been "fixed." It is the old scheme of plunder in full vigor.

The Only Hope

There is just one hope. If the President uses the authority given him to appoint an expert and unpurchasable tariff commission, these monstrous schedules may be exposed in their oppressive operation, and shown by such an array of evidence to be burdensome and criminal that Congress, under Presidential urging, may be led to revise them separately. Only so can we now expect even to approximate a tariff that shall be "scientific"; at least in the sense of not being scientific thievery. If the President has really enlisted for the entire war, he will press forward along these lines.

The history of tariff reform in this country has, it must be confessed, been too often that of hopes deferred and hearts made sick. When the compromise tariff bill of 1832 was passed, promising the ultimate abolition of protective duties, the *Evening Post* declared its "deep and sincere gratification" that "the restrictive system had been given over to a sure though lingering dissolution." Little could the editors of that day have imagined that their successors would, seventy years later, still be fighting the same enemy. They did not know so much as Americans have since learned of the persistent and demoralizing power of men bent on securing laws to make them rich at the expense of their fellows. In the long warfare against this form of unscrupulous greed, many eyes have been opened. The latest to be disillusioned is President Taft.

EDITORIAL

Editorial comments on the Payne Tariff Bill are superfluous in view of the expressions of the press of the country since the farce was enacted. The minute fraction of decline claimed by the stand-patters is absolutely negligible as a relief to consumers. The cost of living still increases, and effective opposition to the tariff will be manifested by the consumers, whose incomes will be less adequate than ever.

But even more potent than the material argument must be the moral effect produced by the shameless revelation of tariff-making, so completely and transparently exhibited by the disquisitions of the Republicans in Congress. The open avowal of selfish motives reveals a moral callousness shocking to people never before so plainly confronted with the facts. The bitter divisions among Protectionists themselves are bound to change the direction of party politics. More than ever the moral and religious sentiment of the country is aroused, nor will it be easily allayed.

* * *

In view of the general condemnation of the tariff as one of spoliation in behalf of special interests, any serious attempt to cure the evil by gradual reduction becomes ridiculous. Only a lunatic would advocate the gradual suppression of a forest fire or an epidemic of Asiatic cholera. No less impossible is it to curtail and gradually extinguish the cancer of Protection. It is as alien to Democracy as was the institution of slavery. Neither can exist with a truly free government. Two irreconcilable forces are grappling, and neither can give quarter to the other. It is a struggle of war to the knife, and the knife to the hilt.

* * *

As never before, with all the sophistries torn away from the false system, we see distinctly the foe which confronts us. The councils of Free Traders will no longer be weakened by opportunists and temporizers. "Under which king, Bezonian? Speak or die," will be the straightforward question to be answered. That we have reached this important point is illustrated by the noble letter of John Bigelow (which we print in another column), and by the recent utterances of Charles Francis Adams, whose long forbearance regarding vested interests was notable. Plain words and unwelcome truth are now in order, and we

face the problem with no illusions and with fresh strength. We welcome the conflict at close quarters and doubt not of the result, however delayed by the vested interests which are fighting for their monopoly.

* * *

The international aspect of Free Trade is encouraging. The interest is world-wide and cannot be localized, and it is fitting that the best sentiment of all nations should be united in the good cause. The movement is taking form in several countries and will speed the day when a parliament of the world will supersede the warring legislatures whose view is confined to geographical limits. The sooner we subordinate patriotism to the universal spirit of brotherhood, the sooner we shall arrive at the desired goal where our country is the world and our countrymen are all mankind.

* * *

We print a remarkable speech by Lloyd-George, the British Chancellor of the Exchequer, concerning the land question. Free Traders generally fail to see the close connection between artificial taxes and those that are by nature just. Sufficient revenue for government expenses can be obtained without oppressing wealth on the one hand or labor on the other. Monopoly, which now despoils both, can be made to bear the burden. When that point is reached, the power of government to license men to steal will be destroyed and the true rights of property and natural distribution of wealth will be manifest.

It is a remarkable struggle now in progress in England. The simple announcement of the budget has paralyzed the Protectionists, who were making apparent gains, and reunited the Liberal party, which was showing signs of disintegration. Now two clear and vital principles are joined in conflict—the conscience and moral enthusiasm of the nation adding to the strength of the Liberal party and the Chancellor of the Exchequer. Those who fail to see the clearness of the issue and the immense advantage of the fundamental principle upon which it stands, will find enlightenment in watching the progress of the debates. It is one of the most momentous departures in the history of civilization, and Democracy will rise or fall with the decision.

* * *

The following sensible view of the *London Nation* indicates that the

sophistry of a moderate tariff has lost its power of further deception and will not find easy acceptance in England.

"The adoption of the protective idea and its embodiment in legislation have indeed been historically the most important factors in the construction of the perilous machine which has mastered American democracy. This ignominy and injury suffered by the nation nearest allied to us by race, institutions, religion and morals, will assuredly be suffered here if we once permit this accursed system of organized corruption—to which Mr. Balfour invites by the sophistical epithet of a 'moderate and equitable' tariff—to set its foot again on English soil. The Payne-Aldrich Tariff furnishes a crushing rejoinder to Tariff Reformers of Mr. Balfour's type with their silly talk of little ten per cent. duties which 'nobody will feel.'"

This number of the *Broadside* is the last that will appear under the editorship of William Lloyd Garrison. The above brief editorials were dictated by him from his sick bed, after he had compiled and arranged, with the assistance of his son, the other contents of the number. He eagerly awaited the final proofs of the pages, which were placed in his hands on Saturday evening, September 11, when he read and corrected this page. He died the following noon, after several months of failing health, borne with unflinching patience and sweetness of spirit.

During the five years in which he has served the American Free Trade League as its Secretary, without remuneration, Mr. Garrison has been, as Mr. Charles Francis Adams remarked at the late annual dinner, "its backbone and moving spirit." The *Broadside* was of his inception, and its modest file of nineteen numbers constitutes, as the *Boston Transcript* recently observed, a "Golden Treasury" of the literature of Free Trade, to the "inexhaustible and indescribable riches" of which the index in the seventeenth number gives ready access. It was at no slight expenditure of his fast-waning physical strength that Mr. Garrison prepared and delivered his vigorous speech at the last annual dinner in May. That and his work on this number of the *Broadside* constitute his last offering to the cause so dear to his heart.

THE FREE TRADER'S CREED

Sound Doctrine from a Republican
Editor.

"I believe in one God, the Father, who hath made of one blood all Nations that dwell on the face of the earth, and appointed the bounds of their habitations; that He made the globe one-fourth land and three-fourths water with express intent that there should be the freest possible commerce between nations, and that from the beginning until now every nation which fenced itself in and others out—from that moment began to wither and die.

"I believe that commerce is the true hand-maid of civilization and Christianity; that no nation ever progressed without trade with others, and that every nation's progress has been in exact proportion to the freedom of its trade. History does not show a single exception.

"I believe that a system restricting foreign trade is simply organized National selfishness; and like all selfishness, it hurts the one aimed at a little and the one who practices it a great deal: it taxes one citizen to give bounty to another, impoverishing the payer and degrading the receiver; and as a consequence the laborers in all 'protected' industries tend rapidly to become a half-pauperized and rebellious class, a burden to the Nation in prosperity and a terrible menace in adversity.

"I believe this Nation has a Christian duty to perform towards other nations on this continent; that the best way to do it is to give them the benefit of our civilization while we get the benefit of their natural wealth, by a mutual free interchange of products, and that any man who is 'afraid of the competition' of South American, Mexican or Central American, should be ashamed to boast of Yankee enterprise.

"I believe that all laws in restraint of legitimate trade are the joint product of cowardice, ignorance and greed, that free trade is the true policy of all Christian nations: and that 200 years of unrestricted free trade would draw all civilized nations into one federation and render war almost an impossibility.

"I believe that as the Republican party started on the basis of free State, free speech, free press and free men, it is logically bound to go on to free trade, which rests upon the same bed-rock of eternal verities and is just as much a natural right."

—John H. Beadle in *Rockville (Ind.) Tribune*, 1881.

THE BRITISH BUDGET

English Free Traders Marching
Onward

Under the auspices of the Budget League, Mr. Lloyd-George, Chancellor of the Exchequer, recently addressed a very large meeting in the Edinburgh Castle, Limehouse, London. The building was packed with an audience which numbered about four thousand. Mr. Lloyd-George, who had a great reception on rising to speak, said:

We are raising money for the purpose of assisting our great friendly societies to provide for the sick and the widows and orphans. We are providing money to enable us to develop the resources of our own land.

A Golden Swamp

Let us take first of all the tax on undeveloped land and on increment. Not far from here not so many years ago, between the Lea and the Thames, you had hundreds of acres of land which was not very useful even for agricultural purposes. In the main it was a sodden marsh. The commerce and the trade of London increased under Free Trade. The tonnage of your shipping went up by hundreds of thousands and by millions. Labor was attracted from all parts of the country to help with all this trade and business done here. What happened? There was no housing accommodation. This part of London became overcrowded, and the population overflowed. That was the opportunity of the owners of the marsh. All that land became valuable building land, and land which used to be rented at £2 or £3 an acre has been selling within the last few years at £2,000 an acre, £3,000 an acre, £6,000 an acre, £8,000 an acre. Who created that increment? Who made that golden swamp? Was it the landlord? Was it his energy? Was it his brains—his forethought? It was purely the combined efforts of all the people engaged in the trade and commerce of that part of London. The trader, the merchant, the shipowner, the dock laborer, the workman—everybody except the landlord.

Golders Green is a case in point. A few years ago there was a plot of land there which was sold at £160. Last year I went and opened a tube railway there. What was the result? That very piece of land has been sold at £2,100. £160 before the railway was opened, before I went there—£2,100 now. I am entitled to 20 per cent. on that. There are many cases when landlords take advantage of the exigencies of commerce and of industry,

take advantage of the needs of municipalities, and even of national needs, and of the monopoly which they have got in land in a particular neighborhood, in order to demand extortionate prices. Take the very well known case of the Duke of Northumberland, when a County Council wanted to buy a small plot of land as a site for a school to train the children who, in due course, would become the men laboring on his property. The rent was quite an insignificant thing. His contribution to the rates I forget,—I think on the basis of 20s. an acre. What did he demand for it for a school? £900 an acre. Well, all we say is this. Mr. Buxton and I say if it is worth £900, let him pay taxes on £900.

The Cause of Overcrowding

A case was given me from Richmond, which is very interesting. The Town Council of Richmond recently built some workmen's cottages under a housing scheme. The land appeared on the rate-book as of the value of £4, and, being agricultural, the landlord only paid half the rates, and you and I paid the rest for him. It is situated on the extreme edge of the borough. Therefore it is not very accessible, and the Town Council thought they would get it cheap. But they didn't know their landlord. They had to pay £2,000 an acre for it. The result is that instead of having a good housing scheme, with plenty of gardens, plenty of open space, plenty of breathing space, plenty of room for the workmen at the end of their days, forty cottages had to be crowded on to two acres. If the land had been valued at its true value that landlord would have been, at any rate, contributing his fair share of the public revenue, and it is just conceivable that he might have been driven to sell at a more reasonable price.

The Gorringer case is a very familiar case. It was the case of the Duke of Westminster. Oh these dukes! How they harass us. Take that case. Mr. Gorringer had got a lease of the premises at a few hundred pounds a year, ground rent. He built up a great business there. He was a very able business man, and when the end of the lease came he went to the Duke of Westminster and he said, "Will you renew my lease? I want to carry on my business here." He said, "Oh yes, I will, but I will do it on condition that the few hundreds a year you pay for the ground rent shall in future be £4,000 a year." In addition to that he had to pay a fine, mind you, of £50,000, and he had to build up huge

premises at enormous expense according to plans submitted to the Duke of Westminster. All I can say is this. If it is confiscation and robbery for us to take 10 per cent. what would you call this taking nine-tenths?

Who Made the Mountains?

The landlords are receiving eight millions a year by way of royalties. What for? They never deposited the coal there. It was not they who planted these great, granite rocks in Wales. Who laid the foundations of the mountains? Was it the landlords? And yet he by some divine right demands—for merely the right for men to risk their lives in hewing these rocks—eight millions a year. Take any coalfield. I went down to a coalfield the other day and they pointed out to me many collieries there. They said:—"You see that colliery there. The first man who went there spent a quarter of a million in sinking shafts, in driving mains and levels. He never got coal. The second man who came spent £100,000, and he failed. The third man came along, and he got the coal." But what was the landlord doing in the meantime? The first man failed, but the landlord got his royalties, the landlord got his dead rents. The second man failed, but the landlord got his royalties. These capitalists put their money in when the scheme failed. What did the landlord put in? He himself put in the bailiffs. The capitalist risks at any rate the whole of his money. The engineer puts his brain in. The miner risks his life.

The Day of Reckoning at Hand

In the very next colliery to the one I descended, just three years ago 300 people lost their lives. . . . And yet when the Prime Minister and I knock at the door of these great landlords and say to them, "Here, you know these poor fellows who have been digging up royalties at the risk of their lives, some of them are old, they have survived the perils of their trade, they are broken, they can earn no more, won't you give something towards keeping them out of the workhouse?" They scowl at you, and we say, "Only a halfpenny, just a copper." They say, "You thieves," and they turn their dogs on to us. Every day you can hear their bark. If this is an indication of the view taken by these great landlords of their responsibility to the people who at the risk of life create their wealth, then I say their day of reckoning is at hand.

"MR. DOOLEY ON THE TARIFF"

By F. P. DUNNE

"Me congressman sint me a copy iv th' tariff bill th' other day. He's a fine fellow, that congressman iv mine. He looks afther me inthrests well. He knows what a gr-reat reader I am. I don't care what I read. So he sint me a copy iv th' tariff bill an' I've been studyin' it f'r a week. 'Tis a fine piece iv summer lithrachoer. 'Tis full iv action an' romance. I haven't read annything to akel it since I used to get th' Deadwood Dick series.

"I'm in favor iv havin' it read on th' Foorth iv July instead iv th' declaration iv independence. It gives ye some idee iv th' kind iv glorious government we're livin' undher to see our fair Columbia puttin' her brave young arms out an' defendin' the products iv our soil fr'm steel rails to porous plasters, hooks an' eyes, artificial horsehair an' bone casings, which comes undher th' head iv clothing an' I suppose is a polite name f'r pantaloons.

D'ye Know Aldhrich?

"Iv coorse, low, sordid people like ye, Hinnissy, will kick because it's goin' to cost ye more to indulge ye'er taste in enervating luxuries. D'ye know Sinitor Aldhrich? Ye don't? I'm surprised to hear that. He knows ye. Why, he all but mentions ye'er name in two or three places. He does so. 'Tis as if he said: 'This here vulgar plutocrat Hinnissy is turnin' th' heads iv our young men with his garish display. Befure this, counthries have perished because iv th' ostintation iv th' arrystocracy. We must presarve th' ideels iv American simplicity. We'll show this vulgar upstart that he can't humiliate his fellow citizens be goin' around dhressed up like an Asyatic favrite iv th' Impror Neero, be hivens! How will we git at him, says ye? We'll put a tax iv 60 per cent. on ready made clothin' costin' less thin \$10 a suit. That'll teach him to squander money wrung fr'm Jawn D. Rockyfellar in th' Roo dilly Pay. We'll go further thin that. We'll put a tax iv 40 per cent. on knitted undherwear costin' less thin \$1.25 a dozen. We'll make a specyal assault on woolen socks an' cowhide shoes. We'll make an example iv this here pampered babe iv fortune,' says he. An' there it is. Ye haven't got a thing on ye'er back exclpt ye'er skin—an' that may be there, I haven't got as far as th' hide schedule yet—that ain't mentioned in this here boolwark iv our

liberties. It's ye'er own fault. If ye will persist in wearin' these gee-gaws ye'll have to pay f'r thim. If ye will go on decoratin' ye'er house with shingles an' paint an' puttin' paper on the walls an' adornin' th' inside iv it with ye'er barbaric taste f'r eight-day clocks, cane bottom chairs an' kerosene lamps, ye've got to settle, that's all. Ye've flaunted ye'er wealth too long in the face iv a sturdy people.

Some Nicissaries of Existence

"Ye'd think th' way such as ye talk that ivrything is taxed. It ain't so. 'Tis an insult to th' pathritism iv Congress to say so. Th' republican party, with a good deal iv assistance fr'm pathriotic dimmycrats, has been thrue to its promises. Look at th' free list, if ye don't believe it. Practically ivrything nicissry to existence comes in free. What, f'r example, says ye? I'll look. Here it is. Curling stones. There, I told ye. Curling stones are free. Ye'll be able to buy all ye'll need this summer f'r practically nawthin'. No more will ladies comin' into this counthry have to conceal curling stones in their stockin's to avoid th' iniquitous customs.

"What else? Well, teeth. Here it is in th' bill: 'Teeth free iv jooty.' Undher th' Dingley bill they were heavily taxed. Unless ye cud prove that they had cost ye less thin a hundred dollars, or that ye had worn thim f'r two years in Europe, or that ye were bringin' thim in f'r scientific purposes or to give to a museem, there was an enormous jooty on teeth. Th' government used to sind proffissyonal humorists down to th' docks to catch th' teeth smugglers. But fr'm now on ye can flaunt ye'er teeth in th' face iv anny inspiector. Ye don't have to declare thim. Ye don't have to put thim in th' bottom iv ye'er thrunk. Ye don't have to have thim chalked or labelled befure ye get off th' dock. Ye don't have to hand a five to th' inspiector an' whisper, 'I've got a few bicuspidas that I picked up while abroad. Be a good fellow an' let me through.' No, sir; teeth are free.

Jooty on Pulu Removed

"What other nicissities, says ye? Well, there's sea moss. That's a good thing. Ivry poor man will appreciate havin' sea moss to stir in his tea. Newspapers, nuts an' nux vomica ar-re free. Ye can take th' *London Times*

now. But that ain't all, be anny means. They've removed th' jooty on Pulu. I didn't think they'd go that far, but in spite iv th' protests iv th' Pulu foundaries iv Sheboygan, they ruthlessly sthruck it fr'm th' list iv jooty-able articles. Ye know what Pulu is, iv coorse, an' I'm sure ye'll be glad to know that this refreshin' biv'rage or soop is on th' free list. Sinitor Root, in behalf iv th' Pulu growers iv New York, objected, but Sinitor Aldhrich was firm. 'No, sir,' he says, 'we must not tax anything that enters into th' daily life iv th' poor,' he says. 'While not a dhrinkin' man meself, I am no bigot, an' I wud not deny anny artisan his scuttle iv Pulu,' he says. So Pulu was put on th' free list an' iv coorse Zapper an' Alazarin had to go on, too, as it is on'y be addin' thim to Pulu that ye can make axle-grease.

Plenty of Canary Bird Seed

"There was a gr-reat sthruggle over canary bur-rd seed. Riprisintatives iv th' Chicago packers insisted that in time canary bur-rds cud be taught to eat pork chops. Many sinitors thought that th' next step wud be to take th' jooty off cuttlefish bone, an' thus sthrike a blow at th' very heart iv our protective system. But Sinitor Tillman, who is a gr-reat frind iv th' canary bur-rd an' is niver seen without wan perched on his wrist which he has taught to swear, put up a gallant fight f'r his proteges, an' thousands iv canary bur-rds sang with a lighter heart that night. Canary bur-rd seed will be very cheap this year an' anny American wurrukin' man that keeps a canary bur-rd needn't go to bed hungry. There ought to be some way iv teachin' their wives how to cook it. It wud make a nourishin' dish whin ye have whetted ye'er face on a piece iv cuttlefish bone. It is better f'r th' voice thin corned beef an' cabbage. I'm sure that th' reason American wurrukin' men don't hop around an' sing over their wurruk is because they are improperly fed.

Divvy-Divvy His Motto

"Yes, sir, canary bur-rd seed is free. What else? Lookin' down th' list I see that divvy-divvy is free also. This was let in as a compliment to Sinitor Aldhrich. It's his motto. Be th' intraduction iv this harmless dhrug into th' discussion he's been able to get a bill through that's satisfacthry to ivrywan. But I'm suprised to see that spunk is on th' free list. Is our spunk indus-three dead? Is there no pathrite to demand that we be proticted against th'

pauper spunk iv Europe? Maybe me frind Willum Taft had it put on th' free list. I see in a pa-aper th' other day that what was needed at th' White House was a little more spunk. But does he have to import it fr'm abroad, I ask ye? Isn't there enough American spunk?

Other Joys of the Free List

"Well, sir, there are a few iv th' things that are on th' free list. But there are others, mind ye. Here's some iv thim: Apatite, hogs' bristles, wurruks iv art more thin twenty years old, kelp, marshmallows, life boats, silk worms' eggs, stilts, skeletons, turtels an' leeches. Th' new tariff bill puts these famliyar commodityties within th' reach iv all.

"Ye feel betther now about undherwear - costin'-less-thin-a-dollar-twenty-five-a-dozen-forty-per-cint., don't ye? Well, I've saved th' best f'r th' last. What d'ye think ends th' free list? I'll give ye twinty chances an' ye'll niver guess. Blankets? No. Sugar? Wrong. Flannel shirts? Thry to be a little practical, Hinmissy. Sinitor Aldhrich ain't no majician. Well, I might as well tell ye if ye're sure ye're heart is sthrong an' ye can stand a joyful surprise. Ar-re ye ready? Well, thin, joss sticks an' opyum f'r smokin' ar-re on th' free list! If they ain't I'm a Chinyman, an' if they are I'll be wan pretty soon. Me good an' great frind fr'm Rhode Island has made me th' akel iv anny Chink that iver rolled a pill. Th' tariff bill wudden't be complete without that there item. But it ought to read: 'Opyum f'r smokin' while readin' th' tariff bill.'

Give Them Their Deserts

"Well, sir, if nobody else has read th' debates on th' tariff bill, I have. An' I'll tell ye, Hinmissy, that no such orathry has been heerd in congress since Dan'l Webster's day, if then. Th' walls iv Congress hall has resounded with th' loftiest sintimints. An' I want to tell ye, me frind, that whin it comes to disthributin' th' honors f'r this here reform iv th' tariff don't ye fail to throw a few flowers, or, if bricks are handier, bricks at th' riprisintatives iv our small but gallant party. It was a fine thing to see thim standin' be th' battle cry iv our grand old organyzation.

"Says th' Sinitor fr'm Louisyanny: 'Fellow sinitors, as long,' he says, 'as I can stand, as long as nature will sustain me in me protest, while wan dhrup iv pathriotic blood surges through me heart, I will raise me voice again a

tariff on laths onless,' he says, 'this dhread implymint iv oppressyon is akelly used,' he says, 'to protict th' bland an' beautiful mollasses iv th' State of me birth,' he says.

The Fine Old Principle of Give an' Take

"I am heartily in sympathy with th' sinitor fr'm Louisyanny,' says th' sinitor fr'm Virginya. 'I loathe th' tariff. Fr'm me arliest days I was brought up to look on it with pizenous hathred. At many a con-vintion ye cud hear me whoopin' again it. But if there is such a lot iv this monsthrous iniquity passin' around, don't Virginya get none? How about th' mother iv presidents? Ain't she goin' to have a grab at annything? Gintlemen, I do not ask, I demand rights f'r me commonwealth. I will talk here ontill July fourth, nineteen hundhred an' eighty-two agin th' proposed hellish tax on feather beds onless something is done f'r th' tamarack bark iv old Virginya.'

"A sinitor: 'What's it used f'r?'

"Th' sinitor fr'm Virginya: 'I do not quite know. It is aiyether a cure f'r th' hives or enthers largely into th' mannyfacture iv carpet slippers. But there's a frind iv mine, a lile Virginyan, who makes it an' he needs th' money.'

"Th' argymints iv th' sinitor fr'm Virginya are onanswerable,' says Sinitor Aldhrich. Wud it be agreeable to me dimmycratic colleague to put both feather beds an' his what's-ye-call-it in th' same item?

"In such circumstances,' says th' sinitor fr'm Virginya, 'I wud be foorced to waive me almost insane prejudice again th' hellish docthrines iv th' distinguished sinitor fr'm Rhode Island,' says he.

"An' so it goes, Hinmissy, Never a sordid worrud, mind ye, but ivrything done on th' fine old principle iv give an' take."

"Well," said Mr. Hennessy, "what diff'rence does it make? Th' foreigner pays th' tax, annyhow."

"He does," said Mr. Dooley, "if he ain't turned back at Castle Garden." (Copyright 1909. By H. H. McClure & Co.)

TIME FOR PEOPLE TO REVOLT

If the people had to pay, in the form of specific taxes, even one-half of what they now pay in gratuities to the protected interests that have no right to demand such tribute, this system of extortion would not last a single month.—*Kansas City Star*.

THE TARIFF LOBBY

How the Real Framers of Our Laws Go about Their Work

Washington, July 21.

Since early in March there has been a tariff lobby here that has filled most of the first-class hotels. One senator said to-day that he had no doubt a million dollars had been spent by this lobby. "And not a cent of it in the interest of the consumer."

The tariff lobby really began moving on Washington last winter, when the Ways and Means Committee began holding hearings. Before those hearings were well advanced most of the great manufacturing industries had opened offices here and had assigned the ablest and most adroit men in their employ to stay in Washington until the tariff bill was signed by the President. Many of the manufacturers established headquarters in the hotels; others preferred to go to office buildings. Before the bill passed the House the largest and probably the most expensive lobby that ever came on to Washington was well settled and ready for business when the bill got into the Senate, for the plan was to do the real effective work in that body.

The "Man in Charge"

Generally speaking there are about as many groups of lobbyists as there are schedules in the tariff bill. Many individual manufacturers have sent men here to look after rates in which they were specially interested, but the general plan was to have a group of men, under the direction of a "man in charge," look after an entire schedule. Thus, looking after chemicals, oils and paints, would probably be a half dozen men who occupied the same office. Another group looked after the earthenware and glassware schedule, another watched the rates on metals and manufactures thereof, another group watched out for the sugar schedule and so on through the bill. One of the high priced groups of men conducted the campaign for a duty on hides. This lobby was financed by the cattle growers' association of the southwest. The lumber dealers started out by giving a banquet to which many members of the House of Representatives were invited. The tobacco people kept a watch on guard for more than four months before there was a movement that necessitated a call to arms. The call came when Senator Beveridge introduced his amendment

increasing the tax on tobacco and cigars.

Possibly the ablest and best-trained lobby of all is the one representing the wool growers and the woolen manufacturers. Several months before Congress met in extra session the wool and woolen people met at Chicago and decided there should be no change in the tariff rates affecting their industry. When Congress met in extra session they were ready for business. Next to the wool and woolen people the manufacturers of cotton goods have maintained the most effective lobby. The Arkwright Club of Massachusetts and the cotton lobby are pretty much the same.

"Laboring" in the Senate

Well, what does such a lobby do? someone asks. It "labors" with the right people in the Senate and House. In the making of this particular tariff bill the "laboring" was done chiefly in the Senate.

There are the men who appear before the committee, and the men who call on senators at their homes and show them why this ought to be or that ought not to be. The printing bill of the lobbyist would startle the country if it could be obtained. Tons upon tons of briefs have been turned out and distributed among the senators and representatives.

—*Boston Transcript.*

SHAMELESS BARGAINING

A Representative's Confession of Tariff Dickering

We have had something to say of the arguments used by the twenty-three representatives who oppose free raw materials to bring the President to their way of thinking. It has also been pointed out that Aldrich consented to duties on iron ore, coal, etc., in order to get votes for his cotton and woolen schedules. But it has remained for Mr. Langley of Kentucky to give the exact terms of the bargain. Here is his statement:

"When Speaker Cannon was facing a large-sized insurrection, and when it looked as though he could not get votes enough to put through the rule for the passage of the tariff bill in the House, I received a summons to the Speaker's room. There I found the Speaker, ex-Representative Jim Watson, and Representative Dwight, the whip of the House. At that time a number of us were 'off the reservation' because we did not like the pro-

visions of the Payne bill for free coal, free iron ore, free hides and \$1 lumber. Mr. Dwight promised me with an emphatic oath, in the presence of the Speaker and Mr. Watson, who assented, that if we would withdraw our opposition and vote for the rule the tariff on these items would be restored in the Senate and would remain restored in conference. The agreement included \$1.50 lumber instead of \$1 lumber. As a result of this promise, which I accepted as a hard and fast bargain, I withdrew my opposition and called a meeting of the insurgents, who did likewise, and the rule was adopted. Without our votes it never could have been put through. When I told President Taft of this agreement he merely said that he was not a party to it and could not consent to be bound by it."

A Hard and Fast Bargain

Here we have a flood of light thrown on the business of tariff making. The duties in question were fixed, or to be fixed, through a deal which was construed as "a hard and fast bargain." The bargain was made, and the price paid. Naturally the men who, for a consideration, withdrew their opposition to the rule, feel that they ought to get the consideration. They rendered an important service on the assurance that they would be paid by the imposition of taxes satisfactory to them. Now, after having carried out their part of the agreement, they are told that they are not to get what they bargained for. Here, of course, is a conflict between two obligations—the obligation to the men who permitted the vote on the tariff bill in the house, and the obligation to the American people.

But the really interesting and significant thing in the Langley statement is the frank confession of the truth of the charges made by the enemies of protection—namely, that the whole business is an affair of bargain and sale. There was no thought, and no pretence of any thought, of the welfare of the people, or the good of the country as a whole. It was simply a trade, a deal in taxes, which were to be paid by the people.

We commend Langley's words to those who talk so solemnly about "honest" protection and "scientific" tariffs. The bitterest enemy of the whole system could not have framed a more formidable indictment against it than that framed—all unconsciously of course—by Langley.

—*Indianapolis News.*

HOW WE ARE GOVERNED Agents of Trusts Disguised as Members of Congress

So far as the idea of representation based on classes is concerned, it is nearer the truth to say that, instead of not having introduced it into this country, we do not know any other system. Of course, the facts are carefully concealed. The agents of the cotton interests, for example, are disguised as members of Congress from certain enumerated districts. They commonly wear masks of partisan principles, or goggles and false beards that are stamped with geographical labels. They are themselves even hypnotized into a real belief in their own personal rectitude and independence. But unless there were an obstacle to their power, they would mark cash deposits for their ultimate political creators with the regularity of a cash register.

If a realist were to etch the outlines of our system of representation, it might run somewhat as follows: Personal ambition, a certain grade of ability, and amenability to the party machine will secure a nomination for Congress. This selection of the machine will be ratified at a so-called popular election. When a tariff measure is under discussion, the large contributors to the machine pull the wires that jerk the elected member. The clash of interests arranges through Congressional committees, and finally through a conference committee, a treaty that is as satisfactory a division of plunder as circumstances permit. The cost is paid by the ultimate consumer, who is a "myth." Barring any opposition from the representative of the "myths," to wit, the President of the United States, the representative system works to enrich its manipulators by a wholesale betrayal of the country at large.

—*New York Evening Post.*

Misrepresentatives

The tariff debate in the Senate should give a powerful impetus to the movement for the direct election of United States Senators. It has been demonstrated that the average Senator has made representation of the State subordinate to representation of the protected trusts and interests. It has been the honorable Senator from the oil interest, from the lumber interest, from the coal interest, from the woolen interest, and so on. The interests of the people and public opinion have been steadily ignored. It would seem that the only way in which the people can get representation in the Senate is by taking the nomination and election of Sen-

ators into their own hands. Twenty-seven states have already called for a constitutional convention to make the necessary change. Four more only are needed to make the demand effective. After the object lesson of this session of Congress, they are pretty sure to be forthcoming.—*Eastern Argus.*

A Frank Confession

Let us recognize the fact that with a tariff bill it is just as it is with a river and harbor bill. There is no use disguising it. You tickle me and I tickle you. You give us what we on the Pacific coast want for our lead ore and for our citrus fruit and we will tickle you people of New England and give you what you want on your cotton goods. . . . You come to the same basis as that of the river and harbor bill. You vote for my creeks, you vote for my harbors, you vote for my rivers, and I will vote for yours and shut my eyes and it is all right.

—*Senator Nelson (Minn.).*

The Consumer's Plight

John Norris, Chairman of the committee on paper of the American Newspaper Publisher's Association, says:

"The paper makers were in almost continuous touch with the finance committee for ten weeks, but the representative of the consumers could not get a hearing from the full committee until after eight weeks of application and continuous waiting in Washington. He finally obtained a hearing on June 9, after he had printed and issued a public complaint against the discrimination of the finance committee. He was allowed forty minutes to state the case, most of which time was consumed with interruptions and discussions of committee men, but the intention of the finance committee to increase the House rate had been announced by at least one member of the committee seven weeks before that hearing.

Tariff the Mother of Strife

Search any tariff scheme and you come on the microbe of conflict, strife and intersectional and international asperities. It was only a month or two ago that publicists first began to discuss the effect of aerial navigation upon tariff and international trade, and now comes word that already the high tariff and toll on aeronauts and their belongings, which France has begun to enforce, is proving most irritating to aviators, and is tempting Belgium and Germany to retaliation. The tariff is the mother of strife.—*Boston Herald.*

ROBBING THE POOR

The Heartless Wrong Done by the Tariff

"The poor ye have always with you" is the maxim of the tariff fixers, in a sense very different from that of the Scriptures. The rich escape. They are more independent. They are not in the bonds of necessity. They and their money can move about, seek good terms, reach various markets and dealers. They can go without some things and substitute others. They are not forced, as the poor are, to take what can be got in a narrow range at whatever price is asked, or else to go without necessary articles.

Look for a moment at the heartless wrong done to the poor by this class in respect to their clothing, especially their woolen clothing, which in our climate is an absolute necessary of daily life. We published the other day the statement of an extensive clothing manufacturer of Cincinnati that in fifty years' experience he had never known so-called woolen cloth to be so bad in quality. The heavy taxes on the kind of wool required in the cheaper grades of clothing make it impossible to use wool except in the form of shoddy, which is about as near sound woolen yarn as boiled mush is to corn-fed beef. So the working classes get a lot of sham woolen cloths, made of cotton and shoddy, which are deficient in warmth, weak in weave, rotten in texture, and haven't one-tenth the wear in them of real woolen fabrics. If any clothing manufacturer hopes to contend against this complex tangle of taxes and import foreign goods of mixed cotton and real woolen fibre—inferior to all wool, of course, but many times better than cotton and shoddy—the tariff tax on the wool in his cloths is levied on the whole weight of the fabric, cotton included. This device is, as it is intended to be, practically prohibitory.

It has been shown by the investigation of the experts of the United States Government that the cost of labor in woolen goods does not exceed forty per cent. of the total cost of manufacture. A tax, therefore, of forty per cent. on the foreign price of the goods would enable the manufacturer, if he chose, to pay his men at least double the foreign wages. But at present rates of taxation his men are compelled to pay from 100 per cent. to 300 per cent. higher for the woolen goods they use.

—*New York Times.*

HOW THE FARMER IS CHEATED**A Hypocritical Tariff Unmasked by Senator Gore**

At Winnipeg on June 12, July wheat was quoted at \$1.30 1-4, at Duluth, \$1.30 1-2, and at Minneapolis at \$1.31 1-2. Now, sir, mark the change when you leave the Canadian line. July wheat was quoted in New York at \$1.25; in Chicago at from \$1.16 to \$1.22, notwithstanding our protection of 25 cents a bushel. But, sir, the contrast sharpens as we proceed. July wheat was quoted in St. Louis at \$1.16, 14 cents less than at Winnipeg, notwithstanding the duty of twenty-five cents, and in Kansas City, the market in which I feel the deepest interest, July wheat was quoted at \$1.12, 18 cents less than the Canadian wheat in Winnipeg notwithstanding your splendid protection of 25 cents per bushel.

Mr. President, the tariff on corn and the tariff on wheat are a delusion and a snare; and whenever farmers complain that duties have been increased on the necessities of life, the great statesmen of this Senate will complacently assure them that they ought not to murmur; that the farmer was not neglected; that the duties were increased on agricultural products.

Farmers Unprotected

These increased duties on farm products are intended to dazzle and deceive the farmers of this country. I hope that this debate will not close until some senator on the other side has explained why it is that the man who is engaged in manufacturing implements in the United States can not compete with the foreigner, when the man who is engaged in producing farm products in the United States must compete with the foreigners of all the earth. Farm labor in the United States is paid from 50 cents a day all the way to \$1.75 a day. This is from 2 to 20 times as much as the wages that are paid to their competitors throughout the farming nations of the world. Our wheat producers must sell their wheat in competition with Russian wheat, which is produced by labor that is paid from 10 to 15 cents a day; they must sell their wheat in the market places in competition with wheat that is produced in India by pauper labor that is paid from 7 to 10 cents per day. The cotton farmers of the South must meet in the markets of the earth the cotton that is grown in India and in Egypt, and grown by ryots and coolies who toil from the rising to the setting of the

sun for the miserable pittance of from 6 to 10 cents a day.

If the farmers of the United States must compete with the half-fed, half-clad pauper laborers of the earth, then why should they be compelled to buy their implements from a tariff-protected trust, sheltered against all foreign competition?

The Senate has not extended, and the Senate can not extend, any beneficial protection to the farmers of the United States. I am well aware that the tariff on corn has been increased by this bill from 15 to 20 cents per bushel. Mr. President, I confess I enjoy a joke, but the tariff on corn is an overdraft on my sense of the ridiculous.

I repeat that, despite all your tariff protection, the farmers of the United States must meet the pauper farmers of all the earth in the market places of the earth; and I say, in God's name, since they must sell in the cheapest markets of the world, they ought to be allowed to buy their farming implements in the cheapest markets of the world. It is simply a question as to who stands higher in the esteem and affection of the senate—the American farmer or the international trust on farming implements.

NECESSARIES OF LIFE DEARER

Maine housekeepers, in common with housekeepers throughout the country, realize that their household expenses have been rising higher and higher in the last few years. Those of limited means—and they constitute the great majority—know that it has become harder and harder to make both ends meet in providing for the necessities of life. But few women, however careful housekeepers they may be, know what the advance in prices in the past dozen years has been. According to Bradstreet's, between July 1, 1896, and July 1, 1909, breadstuffs and live stock have more than doubled in price, provisions, fruits, hides and leather have increased over 50 per cent. and textiles 60 per cent. Taking separate items that figure in the cost of the poor man's table, on July 1, 1909, flour cost 100 per cent. more than on July 1, 1896, beef over 80 per cent., pork about 150 per cent., mutton 125 per cent., hams 33 1-3 per cent., bacon over 170 per cent., lard over 180 per cent., butter 70 per cent., and potatoes over 130 per cent. These are figures that should interest Maine housewives.—*Eastern Argus*.

PRICES RISING**The Workingman Still the Dupe of Sophistries**

Long before the new tariff bill had become law its effect was discounted by advancing prices some of which were noted by the *Worcester Evening Post* of July 1.

Tariff revision heavily upward is already being discounted in the movement of prices as well as the enormous importations of the last few months to get the advantage of higher rates.

Woolen goods have been advanced 25 per cent. at one swing.

Clothing dealers are predicting that next summer's suits will be from \$2.50 to \$5 higher than present prices.

The *Chicago Record Herald* quotes a buyer for a large clothing establishment there as saying: "The most staple kind of goods for men's suits, a standard blue serge, which was bought last year for \$1.15 a yard, is now \$1.50 a yard, and there may be another advance as the season progresses."

Linen goods are being advanced 10 per cent. on spot or near-by deliveries of very common merchandise. Raw silk from the new crop went up last week 15 cents a pound in the face of reports of the largest silk crop Japan has ever grown. Almost in every direction values are enhancing in textiles.

Increased Cost of Living

For the first time in human history in a period of hard times prices of commodities went down very little last year, so complete was the grip of the trusts. Wages were cut considerably.

The present jumping up of prices is therefore mainly from what was before their highest level. Wages cannot be expected to do more than regain the level lost after the panic.

Before that time the average increase of wages according to the republican authority of the bureau of statistics of the department of commerce and labor had been only 19 per cent. under the Dingley tariff. The average increase in cost of living, according to the lowest commercial agency figures, had been in the same time 39 per cent.

The result to the bad for the average workingman's family had been \$100 a year or more.

The results of this new era of tariff inflation are to be in addition to that.

And the workingmen of the large industrial centers have the comfort of knowing that they did it last November.

APPEAL TO FREE TRADERS**An Opportunity Offered to Enlist in the Fight for Freedom**

The following call to arms was published in the daily press of July 5:

To the Citizens of the United States:

The apparent acceptance in some degree of the so-called Protective policy by the present Congressional representatives of both the political parties—the Republicans championing Protection with incidental revenue, and the Democrats urging revenue with incidental protection—might beget the impression that our nation contains no men who believe in the absolute and unconditioned freedom of trade between the peoples of the earth.

The undersigned, proclaiming themselves as Free-Traders, contend:

(1) That Protection erects artificial barriers between nations, preventing that natural and healthful interchange of products which makes for increased comfort, for peace, and for the solidarity of mankind.

(2) That Protection, by reducing the quantity of incoming foreign goods, reduces the buying-power represented by such goods, and consequently subtracts from the demand for merchandise and labor which would inevitably be fostered by the unrestricted freedom of exchange.

(3) That Protection, in addition to lessening the demand for labor, and to a consequent reduction of wages, greatly increases the cost of necessities, thus becoming a powerful agent in dragging down the condition of our wage-earning classes.

(4) That Protection has not only become the Mother of Trusts, but that, by stifling foreign competition, it has granted them a license to prey upon the community.

(5) That Protection encourages extravagance in national expenditures, which, as they are paid by taxes on what the people consume, are in the main extracted from the pockets of the wage-earning and salaried classes.

(6) That Protection, by its methods of indirection, cunningly disguises the incidence of taxation, and thus weakens that desirable interest in legislation and in government policies which direct taxation tends to develop.

(7) That Protection, which is in effect a process of class-enrichment by legislative favor, is a festering source of political corruption.

(8) That Protection, by engendering special over-production due to excessive profits, and widespread under-consumption due to excessive prices, con-

tributes to producing those panics which cause so much human waste and misery.

(9) That Protection, by conferring on favored classes the right to tax their fellow citizens, and by the consequent unequal and inequitable distribution of the boundless wealth which is created by the energy and natural resources possessed by the American people, has generated resentments which express themselves by dangerous methods intended to wrench from its possessors a portion of the wealth which has been unjustly appropriated.

(10) That Protection, by the swollen fortunes which it heaps up for its beneficiaries, and by the concentrated, selfish class-interests which it fosters, becomes so powerful through their ability and readiness to debauch public opinion by the expenditure of money, that it can never be dislodged until the great body of our people are brought to realize its wasteful, sinful, anti-social character.

Concurring in such views, the undersigned call on all fellow citizens who are in agreement therewith, to join them in an effort to consolidate the Free-Trade sentiment of the nation. Such a consolidation will reveal the true economic opinion of at least a portion of our citizens, and will facilitate coöperation with the Free-Traders of other nations which are also suffering from the evils of a Protective policy.

Names and addresses should be forwarded without delay to any of the undersigned:

JOHN BIGELOW, 21 Gramercy Park,
New York.

CHARLES FRANCIS ADAMS, India
House, Boston, Mass.

JAMES H. DILLARD, 571 Audubon
St., New Orleans, La.

LOUIS R. EHRICH, 50 West 77th St.,
New York.

WILLIAM LLOYD GARRISON, 6
Beacon St., Boston Mass.

BOLTON HALL, 56 Pine St., New
York.

BYRON W. HOLT, 54 Broad St., New
York.

TOM L. JOHNSON, 2343 Euclid Ave.,
Cleveland, Ohio.

DAVID STARR JORDAN, Stanford
University, California.

GEORGE FOSTER PEABODY, 2 Rec-
tor St., New York.

LOUIS F. POST, Ellsworth Building,
Chicago, Ill.

WM. G. SUMNER, Yale University,
New Haven, Conn.

CHAS. D. WILLIAMS, 44 Campau
Building, Detroit, Mich.

INSPIRED BY A PRINCIPLE

An address has been issued to the people of the United States, signed by David Starr Jordan, of Stanford University; Tom L. Johnson, Mayor of Cleveland, Ohio; William Lloyd Garrison, of Boston, and other eminent American citizens, urging the adoption of absolute Free Trade as our most economical and broadest commercial policy.

The *Tribune* rejoices that once more in this country the tariff question is to be put forth from the standpoint of Principle. Protection is a policy. Free trade is a principle. It lays down the broad proposition of Commercial Freedom—the right to buy and sell unfettered by artificial restraint—the same principle that the Fathers put in the Constitution when no State was permitted to deny free trade to any of the States. It is because the principle of free trade operates over so large a territory that we have prospered as a Nation under the baneful influence of "Protection."

William Cullen Bryant was a Free Trader. So were Henry Ward Beecher, George William Curtis, William Lloyd Garrison, and nearly all of the men prominent in the anti-slavery movement of fifty years ago; Adam Smith, Bastiat, the great French political economist; Professor Sumner, Thomas G. Shearman, Henry George.

We have repudiated the Scholarship of the country to vote money in the pockets of selfish interests. It is unjust, burdensome, and sooner or later will come to an end.

The way to fight this National graft is to go after it on the broad proposition that Congress has no power to levy a tax for the benefit of private individuals or corporations, and that tariff taxation which does this violates a natural and fundamental law, as Richard Cobden said—the "international law of the Almighty!"

—*Rockville (Ind.) Tribune.*

Where the Farmer Comes in

The trusts are the only real beneficiaries under the present bill. Wool imports last year aggregated a total so small in comparison with consumption that the tariff may be said to shut out imports. The individual farmer, whose wool sales are said to be merely an incident in his revenues, has had to buy clothing of decreasing weight and durability at advancing prices, while the protection avowedly for his benefit has added to the profits of the graziers and the trusts.—*Boston Post.*

EVIDENCES OF FREE TRADE SENTIMENT

Our readers have noticed the recent appeal to the free traders of the country, which was published last Monday morning, and signed by William Lloyd Garrison, Charles Francis Adams, Louis R. Ehrich, Prof. William G. Sumner, Byron W. Holt and others. The next day Mr. Garrison began to receive responses, and they are still coming from all parts of the country. Presuming that other signers are also receiving them freely—for there is no reason on the face of the manifesto why Mr. Garrison should be particularly favored—it is evident that there is a material body of free trade sentiment. Mr. Garrison is no longer in evidence at the free trade headquarters in Boston, but he has just got out an impressive number of the *Free Trade Broadside* of which he is the editor. Mr. Garrison's health has not been good, but he is as devoted as ever to the free trade cause.

—*Springfield Republican*.

PROTECTIONIST POISON

Yesterday we published an appeal to free traders to get together, signed by citizens of national reputation. There ought to be many responses from Maine. Our State, up here in the corner against the dead wall of tariff on three sides, ought to be among the most insistent for liberty to trade with her neighbors.

A long course in education is needed. It is one of those apparent inconsistencies that are ever recurring in the history of liberty that the liberty of the black man should be gained by a renewed contract against liberty,—the buying of support for the Union with increase and extension of protective tariff taxes. To be Republican and Unionist meant also to be protectionist. Maine was loyal to the Union and with her Unionist sentiment breathed in protectionist sentiment. For more than a generation now the people of Maine have been doped with protectionist humbug. Humbug about protecting American labor. Especially ridiculous, that humbug about protecting the farmer, all of it false, has cost the people of Maine many millions of dollars and has promoted the desertion of Maine by many of her ablest sons.

To counteract that protectionist poison needs much instruction.

—*Lewiston Daily Sun*.

WEAKENING MORALITY

Sinister Effect of the Protective System Pointed out by the Wall Street Journal

One of the most striking features of our industrial history in the past twelve years has been the deterioration in the quality of some products. It is admitted that we cannot make a cement of a kind equal to that obtainable not much more than ten years ago, or if we can make it, at least we do not put it on the market. Not only have prices of commodities advanced, but the average quality, instead of advancing, has in too many cases retrograded. This is painfully the case in all articles of clothing, and especially of the grades used by people with strictly limited income.

Causes for such a movement are psychological and moral, as well as economical. Whatever the advantages of high protection may be, certainly Senator Dolliver is right in his view that it tends to deteriorate commercial morality.

When we talk about the ultimate consumer we must remember that the producer is always a consumer, and that he can pay higher prices for an inferior article with no better grace than the rest of us. Being human he tries to indemnify himself as best he can. He wishes to maintain his own standard of comfort at least. He wants the raw materials for his manufacture as cheaply as possible. He has, in fact, to maintain a margin between income and expenditure, and to do this he is producing a mere resemblance to what he was selling ten years ago; while at the same time, as for instance in the case of the weighing frauds of the American Sugar Company, he may resort to unfair means in dealing with his neighbors.

There is a moral rot thus engendered which must necessarily spread. It is impossible for the workman to assist in producing a poor and even fraudulent stuff without losing self-respect. It is impossible for the employee in the financial department to observe practices which he knows are indefensible ethically, constantly used, without himself deteriorating. The result is that the evil spreads with an ever-widening influence, and all that education or religion can do to curb it will not plant the seeds of healthy growth fast enough to choke the weeds.

It is a terribly high price to pay for what our theory considers the correct system of stimulating commercial growth. The responsibility upon our

rulers is a terrible one, but the extent to which the moral deterioration has made its influence felt is shown in the attitude of the United States Senate itself. There is not the faintest pretence of principle on either side, except in a few honorable instances. No broad and enlightened general policy is laid down. All that shapes itself out of the most painful exhibition of politics at its worst seen in a generation, is that callous indifference to public opinion which always marks the later stages of moral deterioration.

WITH THE HELP OF PAYNE, ALDRICH AND CANNON

A tariff on wool and a tariff on brass,
A tariff on fur, hides and tallow;
A tariff on steel and a tariff on glass;
A tariff on crocks, deep and shallow.
A tariff on rails and a tariff on nails—
A tariff on coffee's a rumor—

Protect everything in the tariff trust ring;

Put th' cinch on the helpless consumer.

A tariff on flour and a tariff on salt,
A tariff on linen and cotton;
A tariff on sugar, and don't call a halt
Until not a thing is forgotten.

A tariff on clocks, on gloves and on socks—

Just pile up the tariff tax higher—
Protect everything in the tariff trust ring;

Put th' cinch on the poor helpless buyer!

A tariff on clothes and a tariff on boots,

A tariff on rubber and copper;
A tariff on lace and a tariff on fruits,
On medicine, bottle and stopper.

A tariff on thread and a tariff on bread—

Hoist the tariff as high as the steeple—

Protect everything in the tariff trust ring;

Put th' cinch on the poor common people!

A tariff on lead and a tariff on zinc,
A tariff on carpet and curtain;

A tariff on food and a tariff on drink—
You've got them all cornered—that's certain.

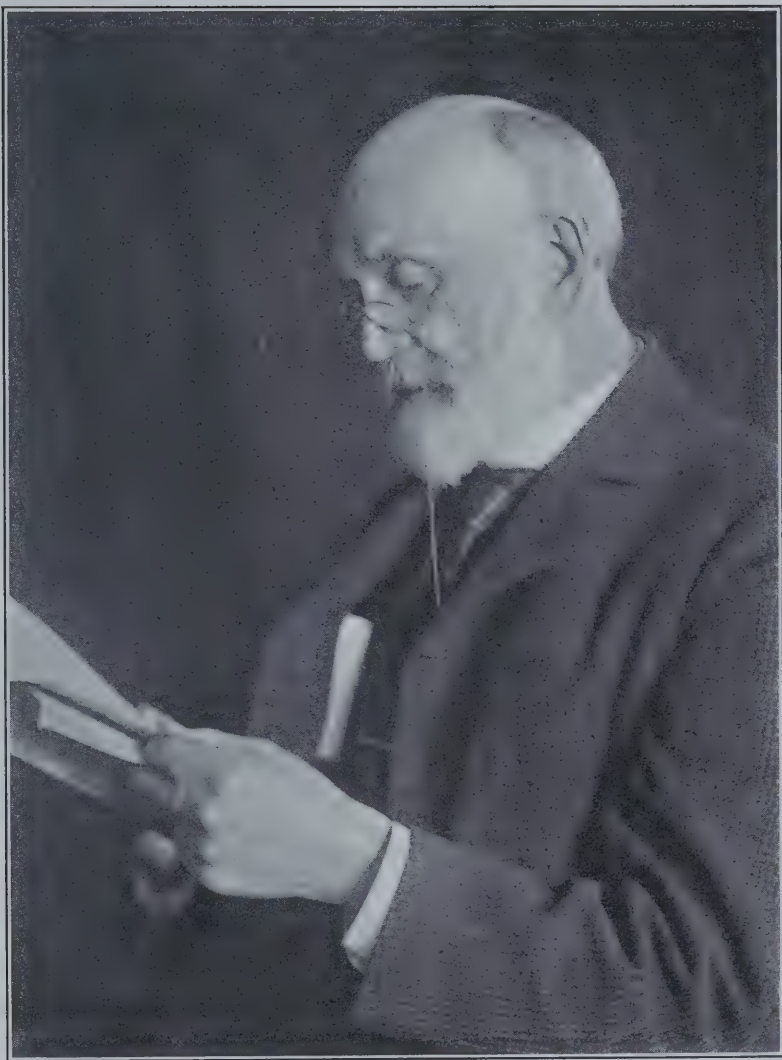
Tax his birth and his death, tax his first and last breath—

Everything that he needs put the ban on.

Play the limit of lust, ev'ry tariff-fed trust,

With the help of Payne, Aldrich and Cannon.

—*Will M. Maupin, in The Commoner*.



WILLIAM LLOYD GARRISON
(1838 — 1909)

REPUBLICANS BECOMING REBELLIOUS

Statesmen Who Scent An Aroused Public Opinion

The Senate insurgents may be divided into two classes, the real and the pseudo. The one fought for its cause from principle and the other from policy. The one had their States behind them because they had led them there and the others were pushed along by their constituents.

In the class of genuines should be placed La Follette of Wisconsin, Bristow of Kansas, Cummins of Iowa, and Nelson and Clapp of Minnesota.

In the second class are Beveridge of Indiana, Dolliver of Iowa, Brown of Nebraska, and Crawford of South Dakota. Burkett of Nebraska, in addition to the nine just named, voted against the tariff bill on its final passage of the Senate, but he had often voted with Senator Aldrich, and crossed the line for his final stand with the La Follette and Cummins group only a few days before the final vote was taken.

Iowa Senators Contrasted

Although hailing from the same State, Cummins and Dolliver stand on a different basis as protestants against the Aldrich régime. For ten years Cummins had fought the most powerful political syndicates in his State before he reached the Senate. He had created his own following by the vigor and progressiveness of his own ideas, and he owed his advancement only to his own energy. On entering the Senate he bore the commission of his people to stand for lower tariff taxes, and he had a united constituency at his back. Dolliver was in Congress years before Cummins entered it, but he drifted with the tide of conservative Republicanism until Cummins came to Washington. Then, for his own political salvation, he fell in with the Cummins programme, and became its most brilliant champion, outshining, in fact, Cummins himself.

La Follette's Independence

While Cummins and Dolliver occupied an ideal situation with respect to their State, La Follette, the finest product of the insurgent school, stood in a wholly different relation to Wisconsin. The Badger State is honeycombed with opposition to La Follette—railroads, mills, factories and a thousand and one business agencies which have had reason to fear the radicalism of their former governor. Call it heroics if you will, but there was pure patriotism in the act of the man who refused to vote

upon the lead duties because he held stock in a lead mine. He was the only senator that showed any such scruples. Scott of West Virginia, president of a glass company, brought samples of his wares into the Senate chamber and begged for higher duties. La Follette attempted the heights of political sacrifice in his amendment to the paper schedule.

An Unnatural Industry

"Paper-making as it is now conducted in my State is an unnatural industry," he said, "and the remainder of the country should not be overtaxed to keep it alive." Contrast this position with that of Fordney of Michigan, when Fordney championed the outrageous sugar duties, affecting the whole country, to keep alive the unnatural beet sugar industry of Michigan.

Bristow of Kansas for the first time gave intelligent voice to the atrocities of the sugar schedule. He conducted an educational campaign in the iniquities of the sugar-trust that was without rival in point of thoroughness and fearlessness in the tariff legislation of the last generation. He put into words what the country believed but no one before had been able to say.

Nelson and Clapp of Minnesota shone like pure gold amid the sophistries of debate which surrounded them. They repudiated the value of the protection which political policy had accorded States like Minnesota and demanded a revision which should be based on the needs of their constituents and the country only.

Tobacco Trust Under Fire

Beveridge of Indiana closed a long career of brilliant but vacillating insurgency with an attack on the tobacco trust which forced even the Finance Committee to concede that he was right.

Burkett of Nebraska comes out of the struggle with perhaps less credit than any other man on whom the downward revisionists wanted to pin their faith. He openly joined the insurgent forces at the start of the session and attended their private meetings, news of which reached Senator Aldrich in remarkably quick time after they were held. He voted with Aldrich as a rule, almost up to the last moment, when a terrific backfire from Nebraska caused him to stop and think; and on the final test he voted against the very bill which he had assisted in putting together.

Coe I. Crawford of South Dakota, a brand new man and originally accounted a Senate insurgent on general principles, had much the same experience. Crawford early fell under the influence of Elihu Root of New York, and only by the narrowest squeak did that clever diplomatist fail in converting the South Dakotan to an absolute membership in the Aldrich innermost circle. On the day the tariff bill passed the Senate, Crawford made the most startling, thrilling speech of all the radicals against the iniquitous Aldrich bill. Then he voted against it, although many of the schedules had been adopted with the aid of his vote.

An Uncertain Gamble

Gamble of South Dakota was accounted a rebel in the days when the issue was the make-up of the Senate committees, but he backslided early and often. South Dakota is another Iowa in sentiment, and played upon fiercely by the throbbing streams of reform which long have bathed the Hawk-eyes. Gamble flew too near the Aldrich flame, however, and had his wings singed so badly that he could not fly back. Occasionally he would flutter across the line and join his old associates on some harmless tariff proposition, but on the final line-up he voted for the bill. The campaign for his defeat has been started already, and his critics say now that he will find the Aldrich influence, however comfortable and satisfying it may be in Washington, powerless to aid when the votes are counted at home.

—*Boston Transcript.*

CONDEMNED BY DOLLIVER

As the result of my observations upon the different tariffs of the world (and I do not pretend to be wise or deeply read about the matter), I find that wherever there is a protective tariff it has built up a system of morality of its own, and I never found that its rules of morals were in accord with any other rules of morals, religious or secular, ever framed in this world. It has built up a system of morality in this country that not only is wicked, but it allows to be done, by authority of law, what the man who does it would never do in his private capacity as a citizen. It permits a man not only to covet his neighbor's goods, but to take them away from him by force of law.—*Senator Dolliver.*

SIGNS OF AWAKENING

Republican Editors Beginning to Lean towards Freedom

When a Republican newspaper, published up here in darkest Skintonia, where the mental vision of the multitude has long been distorted by the myopia of protectionism, comes out frankly and boldly and takes its stand with the free traders, there is, indeed, hope that our public schools may have some justification for existence.

Our neighbor, *The Gloversville Herald*, is not alone among Republican journals in its advocacy of the removal of the duty on hides, and many papers, whose support was instrumental in the election of President Taft, go still further in their demand for free trade in practically all of the raw materials used by our manufacturers.

This position is not only a sound one but in accord with the widespread demand for a removal of the burden of taxation that has long depleted the earnings of labor for the advantage of the protected capitalist. There is, however, no argument that can be advanced for the removal of the tariff on hides that may not be urged for the free admission of all products that are useful or necessary to the well being of American citizens no matter what locality they may inhabit or control.—*Fulton County (N. Y.) Democrat*.

AGITATION TO GO ON

So "tinkering with the tariff," with all the disturbance to business incidental thereto, has not been ended but only begun by the special session which President Taft summoned to undertake the work. Is Mr. Aldrich or any of Mr. Aldrich's stand-pat supporters fatuous enough to suppose that a tariff bill which eighteen Republican representatives voted against, and which escaped reference back to the conference only by the narrow margin of five votes, will settle the tariff question? Is the mind of Mr. Taft free from all apprehension that this revision may not repeat the history of the McKinley act? If the Democratic party were an organized opposition under sane leadership, as it was in 1890, neither this tariff nor the Republican majority in the House would survive the next election. But it is from the Republicans themselves, from the Republicans of the West, that trouble may be expected.

The names of these eighteen Republican members of the House of Representatives should be remembered:

Illinois—James R. Mann.

Iowa—Gilbert N. Haugen, E. H. Hubbard, N. E. Kendall, Frank P. Woods.

Kansas—Victor Murdock.

Minnesota—Charles R. Davis, Charles A. Lindbergh, Clarence B. Miller, Frank M. Nye, Halvor Steenerson, Fred C. Stevens, Andrew J. Volstead.

North Dakota—Asle J. Gronna.

Wisconsin—William J. Cary, Irvine L. Lenroot, John M. Nelson.

Washington—Miles Poindexter.

They held out to the end for the principle of "revision downward" and voted against the conference report on the Aldrich-Payne tariff bill. There is no doubt that they represented the sentiment of their constituents in the Middle and far West. Their opposition to increased duties cannot fail to affect the future of the Republican party. Disaffection, disgust with the party leaders for their deliberate breaking of a definite promise to the country, will mean a great deal to the Republicans in the States from which the courageous and determined eighteen were elected.—*New York Times*.

A TARIFF FOR HUMBUG ONLY

In the discussion of the duty on hides Mr. Carter asserted that if the farmers were to be compelled to sell their products in the open market they would demand the right to buy manufactured articles in the same kind of market. This is common sense and it is only justice.

But how about the cotton planters who are compelled to sell their products in the open market? No pretense is made of protecting cotton. And how about the growers of grain, hay and other agricultural products that are produced in this country to such a great extent that a large surplus is exported? The products are sold in the open market and the price in this country is fixed by the price at which the surplus is sold abroad in competition with like products from other countries.

There is a duty on wheat, but it is a tariff for humbug only. It does not to the slightest degree extend the markets and it does not add one cent a bushel to the value. It is a sad comment on the intelligence of the farmers of the West that they are caught by such a barefaced humbug. They get no protection from the tariff, but they are robbed by it for the protection of others.—*Florida Times Union*.

AN AMERICAN AT BAY

Alienated by Tariff Exactions—Determined to Live in a Free Country

To the Editor of the *Free Trade Broadside*:

When I was in England some ten years ago I bought and brought home some Yorkshire flannels. They were nothing wonderful there,—just pure, genuine, soft wool, such as the humblest citizens of Great Britain may wear, and costing only 32 to 39 cents a yard. They proved a treasure, lasting, with continual wear, for a decade. I naturally wanted some more. Not to be had here, or any of American make like them. The unspoken word was (with a concealed pistol ready) "You take our inferior American flannel, or you go without." Snubbed and with blood boiling, I walked out of the shop, sighing for free England. I imported my flannels, though. The price was \$8.85. The duty was \$7.62! I paid, and resolved as soon as convenient (a bona fide resolution, and one I am determined to carry out) to leave the country of slaves and go to England, the land of freedom, where rents are less than half those in America, and sugar three cents a pound, and where vastly better clothes can be bought for half the money. What was the slavery of Boston in 1776 to that of 1909? When the descendants of those who threw the tea into Boston harbor, *arouse from their slumber and revolt*, I may decide not to exile myself from this land of white slaves, where the blacks are free and the whites wear iron collars and liveries.

Wm. Sloane Kennedy.

Belmont, Mass., September, 1909.

PROTECTION DOOMED

An Evil System Tottering.

"There will be no more bills framed in the Senate like the Aldrich bill. It is the last of its kind," says the *New York Tribune*. If this tariff revision has accomplished nothing more, it has furnished an object-lesson of the rapacity and greed of the protected and plutocratic interests that is worth all its costs. It has opened the eyes of the people to the iniquities of high protectionism as they were never opened before. It marks the turning point in the history of the system, its decline and ultimate fall.—*Eastern Argus*.

TARIFF BENEFICIARIES AT LOGGERHEADS

WOOL MEN PROTEST

Woolen Trust's Greed Denounced

Under the heading "Make Protection Honest," W. L. Hixon, president of the Mankato (Minn.) Mills Company, wrote to Senator Nelson of Minnesota:

The woolen schedule is the worst monstrosity that ever besmirched the statute books of the nation, and bewildered a long suffering public. It is a product that so clearly bears the hall mark of the combing interests as to make any denial seem superfluous. It is an example of the greed of special interests which, if persisted in, will ultimately destroy the interests responsible for afflicting the public with it.

The supporters of schedule K profess that it protects the interests of the wool growers as well as the manufacturers. While it certainly protects the interest of the worsted manufacturers with a vengeance, the real prosperity of the wool grower depends, not on the prosperity of the worsted manufacturer who imports millions of pounds of the wool that he uses and who cannot and does not use much domestic wool, but on the prosperity of the carded wool manufacturer, who can and does use domestic wool, almost to the exclusion of all others.

Beneficiaries Help Themselves

On its face, no legislator at Washington could have had the technical knowledge to have conceived the present schedule unless years had been spent in the combing industry.

The American Woolen Company, a Trust, said to control over 50 per cent. of the woolen goods output, has been able to see such tremendous profits in the operation of combing mills subsidized by schedule K, that it can even afford gradually to abandon the manufacture of woollens by the carded process; and that it is getting into the worsted game on a large scale is evidenced by the fact that it has recently built and I believe is still building, enormous mills for the manufacture of worsted products, in order to take advantage of and reap the rich reward offered by a schedule especially designed in the interests of a few.

Wool enters into consumption to some extent, no matter how small a percentage, in the shape of clothing, hosiery, blankets, underwear, hats, rubber boots, and in fact almost every article of wearing apparel required to clothe the rich and poor alike. All are paying tribute.

If any of these articles contain 90 per cent. cotton and 1 per cent. wool, for taxing purposes they become wool.

THE SECRET CONCLAVE IN CHICAGO

A correspondent of the *World*, writing from Boston, has lately been exposing the combination of wool-growers and worsted manufacturers to prevent a "revision downward," or into any equitable shape, of the schedule which they framed for themselves in 1897. There was a conference of representatives of the National Wool Growers' Association and the National Association of Wool Manufacturers at Chicago on October 15, in the midst of the last presidential campaign. The leading spirits were the presidents of these two organizations, Frederick W. Gooding of Idaho and William Whitman of Massachusetts. This was virtually a secret conclave.

Mr Whitman presided at the conference, and according to the minutes as they are now quoted it was devoted entirely to the question of holding together to maintain the present wool tariff. Resolutions to that effect were adopted and it was "resolved, further, that it is the sense of this-meeting that in the coming revision of the tariff the present duties on wool and woolen goods be maintained without reduction." This was in the midst of the campaign last fall, and it is natural to suspect that contributions for the cause were not forgotten. At all events, the conference was followed by great activity on the part of these same interests at the tariff hearings of the Ways and Means Committee. They got all they wanted through the Conference Committee.

—*N. Y. Journal of Commerce.*

PROTECTED BRIGANDAGE

From a letter addressed to the New England Republican delegation in Congress by Andrew J. Solis of Boston, it appears that the refusal of the tariff revisers to amend the wool and woolen schedule, is in pursuance of a pre-election agreement between the worsted manufacturers and the Wool Growers' Association. The mystery to Mr. Solis lies in the motive that would lead the people's representatives to stand pat with these interests "in the light of the truth as to the effects of this robber tariff and the methods by which it has been created and continued in force."

—*Lewiston Daily Sun.*

A RIFT WITHIN THE LUTE

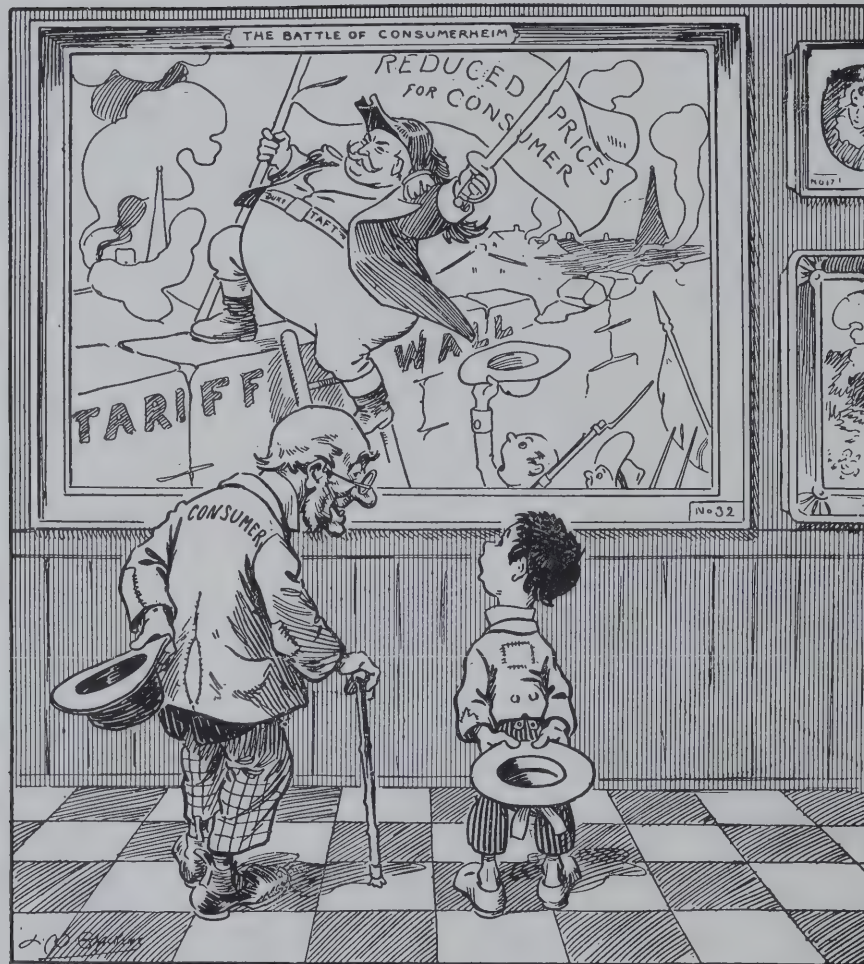
Protection Breaking of Its Own Weight

Will protection eventually be destroyed in the house of its friends? The consumer should not be wholly without hope. The combination against him threatens to break by its own rigidity. In other words, the point has been reached where an industry may be protected, not merely at the expense of the consumer, but at the expense of another industry.

The exchange of compliments between the carded wool and the combed wool and worsted industries is a case in point. The woolen schedules are declared to have been arranged wholly in the interests of the latter. "We feel indignant," the president of the Carded Wool Association recently wrote to Mr. Taft, "that such treatment should be meted out to us, that the cardinal principles of fair play and even-handed justice, under which we are supposed to live, should be cast aside or subordinated to a coalition of forces that are specially favored under the Dingley bill." That all should share alike in the plunder is an ancient principle.

Plainly, the abandonment of this principle must cause jealousies and heart-burning and internecine warfare. Here is a disputant on the carded wool side asserting that the special favors granted to Mr. Whitman and his friends are the result of a pre-election agreement. "How much," he asks, "did the worsted trust contribute to the Republican campaign fund of 1908?" The amount is not essential. There is always a quid pro quo in such matters, and the sacred principle of protection has for years been a source of corruption. Yet it is a hopeful sign that the one-time confederates should fall out and begin to tell the truth about one another. Something has been done for dress goods, yarns and tops, and for a hundred other articles. The wealthy mendicant industries have not been sent empty away. But since some of them are still bitterly dissatisfied and smarting with what they consider to be unfair treatment, the protective system may come to have less virtue in their eyes. And if, when another revision comes, the protected interests approach it with suspicion and resentment against one another, surely the consumer may at last have a slight chance of getting his own!

—*Providence Journal.*



From *Puck*. Copyrighted 1909. By permission.

THE CONSUMER'S FAMOUS VICTORY, A.D., 1909

"And everybody praised the Duke,
 Who this great fight did win."
 "But what good came of it at last?"
 Quoth little Peterkin.
 "Why that I cannot tell," said he;
 "But 'twas a famous victory."

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WILLIAM LLOYD GARRISON.

The greatest blessings which we enjoy, as members of human society, have largely come to us as the bequest of men whose names are buried in oblivion. The noblest workers in the field of social service have cared nothing for recognition. Their reward has come from the joyous consciousness of helping to bring nearer a happier day for humanity. It was in this spirit that his work was done by the late President of our League—William Lloyd Garrison. Time may efface his memory from the minds of men. But we, of his generation, should keep his memory bright in the recognition of the devotion, the self-sacrifice, and the commanding ability which he brought to the Cause for which we stand!

(From the introductory remarks of President Louis R. Ehrich, preceding his address to the League.)

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William Lloyd Garrison, the late President of our League, was one of those splendid individuals who are often called "cranks" by unappreciative contemporaries, and who sometimes remain mistakenly unhonored even by posterity. Much may be said in praise of "cranks." These are the only truly devoted patriots, the men of real adherence to principle.

The test of sincere devotion to public affairs, the test which marks the difference between the politician and the statesman, lies in a complete disregard of popularity. It is easy enough to obtain political support for a popular measure. When an economic truth has become so generally recognized that it sinks into the intelligence of the dullest, when the people and the press are clamoring for the vindication of this truth, then the politicians are quick and anxious to climb onto the band-wagon. But it takes true men to stand by a lost cause.

The day of triumph will come for each right principle, provided it is able to persevere through the dark days. But meanwhile it must persevere; the patriots, miscalled "cranks" must keep it alive. Then when the promised land is reached, some politician will take over the movement and get the credit for its success. Let this not be construed as a disparagement of politicians. There are great politicians as well as petty ones. But what I wish to emphasize is that, although politicians should be given due credit for their energy in reaping, yet they reap where others sow, and that the sowers are the "cranks."

The honored father of our late President led lost causes to victory. When the anti-slavery movement was unpopular, he was one of the noble few who met and passed resolutions, who endured ridicule, insult, even personal assault, and thus kept the cause alive, so that great politician, Lincoln, was able to take it over and make it a success. All honor to Lincoln for his great political service, but he should share the credit to some extent with those "cranks" who supplied him with the material.

Garrison the younger inherited his father's sterling qualities. He should be honored as one of the sturdy few who kept alive the cause of free trade. Let us pray to be worthy of following in his footsteps.

(From the introductory remarks of Senator Roger Sherman Hoar, preceding his address to the League.)

Letters to the Press

THE TARIFF AND BUSINESS.

(Written Dec. 5, 1910.)

Last Monday's papers published a report of the National Association of Manufacturers on the present condition of business. The Secretary summed up the situation by saying, "Conditions are unsatisfactory." The remedy suggested was the following:

Less legislative interference with business.

Less political activity.

A speedy and equitable settlement of the railway rate question.

More conservatism in business.

More National and individual confidence.

Take the tariff out of politics.

Give equal opportunities to all workmen by making the "closed shop" illegal.

Reform of the currency and banking systems.

Prompt decisions in the important industrial questions now before the United States Supreme Court.

More attention to foreign trade and rehabilitation of the merchant marine.

It is probable that each of these recommendations would prove of some value, but none of them goes to the heart of what is causing our present business depression. In the interesting article of Louis D. Brandeis, published in *The Times* of yesterday, he is quoted as saying: "What we need in this country is a combination to reduce the cost of production in place of combination to increase prices." This points toward the remedy, but does not indicate it exactly. The writer would put it this way: What we need is a condition, which, instead of encouraging a restriction of output at high prices, would compel the maintenance of profits by an ever-increasing volume of production on a basis of decreasing prices.

Let us consider a concrete example. Last week the steel manufacturers held a meeting in this city. They admitted that they were working only 50 per cent. capacity. Under such conditions the natural procedure would be to increase demand by lowering prices. They agreed, however, to do no such thing, but to "stand pat" and continue prevailing schedules. This they are able to do, simply because the tariff walls shield them from competition. And that is the fundamental cause of the trouble with business. Suppose the steel combine had decided to reduce their ratio of profits by one-half in order to run their mills at full capacity. The beneficial effect on business would have been immediate and widespread. It would have meant, not

only an increase in the employment of labor, but it would have stimulated railroad building, house building, and every industry in which steel plays a part. And the vast additional distribution of wages which such a stimulated condition would bring about would naturally benefit every branch of trade.

We are unfortunately living under an artificial condition in which manufacturers are tempted and permitted to win profits by restricted output at excessive prices. Subject them to the natural, healthful stimulus of world competition and they would make their profits flow from an ever-increasing volume of production. In other words, the trouble with business and the financial pinch which is felt throughout the country comes directly from the disturbing, paralyzing influence of our tariff walls. We shall have our commercial ups and downs, but we shall never gain industrial peace or a condition of more stable and more continuous prosperity until we abandon our present artificial, hothouse methods of business and subject our industries to the natural unrestricted laws of exchange.

LOUIS R. EHRICH.

REVENUE TARIFF AND FREE TRADE.

At this period of tariff agitation it may not be time ill spent to stop for a moment attacking the evil and devote a little attention to choosing the remedy.

We may roughly group the downward revisionists into (1) believers in a lower and more equitable protective tariff, (2) believers in a tariff for revenue only, and (3) free traders. Many people nowadays imagine that they belong to one of the first two classes, and yet really do not. Practically every downward revisionist in his speeches makes statements which are utterly inconsistent with any theory other than free trade.

During the last campaign I attended scores of rallies, at every one of which at least one speaker who called himself a devotee of a revenue tariff pointed out as one of the injustices of the present tariff the fact that only one-eighth of this tariff tax levy ever reaches the federal coffers. That is a great injustice. No community would for a moment tolerate a system of tax collection whereby the collector turned over to the leading local merchants seven-eighths of the money which was assessed from the citizens. The parallel injustice of the tariff is appreciated by political speakers; but they use this as an argument against

protection and in favor of a revenue tariff, when really it is an argument against the very revenue feature which they claim to advocate. It completely blasts tariff for revenue.

If the reader of this doesn't believe in free trade, let him be fair with himself by coming out squarely in the open and saying that he is a protectionist. Let him say that he believes in taxing the many in order that unnatural industries may be maintained for the benefit of the few. Let him say that he believes in taxation, not (according to correct and just economic principles) in proportion to ability to pay, but in proportion to the use of the necessities of life. Let him say all these things if he will, and as he must if he supports a protective tariff; but let him not pretend that we need the tariff for revenue, when he knows, or ought to know, that no more unjust and illogical method of taxation was ever invented.

ROGER SHERMAN HOAR.

THE REVOLT AGAINST PROTECTION

Every American, and especially every Republican, should read the speech delivered by Senator Dolliver in the Senate Chamber on June 13th. It evidences a spirit of revulsion on the part of members of the old Party of Protection against the iniquities which the policy of protectionism has begotten, and inevitably begets. After exposing the abuses of the Payne-Aldrich bill, Senator Dolliver says: "I do not propose that the remaining years of my life, whether they be in public affairs or in my private business, shall be given to a dull consent to the success of all these conspiracies, which do not hesitate before our very eyes to use the law-making power of the United States to multiply their own wealth and to fill the market places with witnesses of their avarice and of their greed." Unfortunately, Senator Dolliver still hugs the delusion that some protection is necessary to equalize the cost of production here and abroad; and still more unfortunately, even were he to realize that the issue can only reach its true solution in the abolition of all tariffs and the adoption of absolute free trade, he could find no political party with which to ally himself. This, because a part of the Democratic party is distinctly protectionist; and the other part, forgetting the distressing outcome of the Walker Tariff and the fiasco of Grover Cleveland's courageous struggle, continues championing the fruitless formula of "tariff for revenue." It is an indelible stain on the record of the

Democratic party that when, on May 21st, Representative Young of New York exclaimed: "I boldly declare that I do not think there is a man in this House who would declare himself in favor of free trade," not a voice was heard in protest. History will repeat itself. Sixty-five years ago, when the slavery question was the burning political issue, comparatively few men had the courage to proclaim themselves abolitionists. Within less than a quarter of a century millions took pride in the name; and in our time few prouder boasts are made than this: "In the early days my father was an abolitionist."

The party leaders are blind. . . . the very fountain-source of American graft and privilege is imbedded in the theory and practice of protectionism. . . . considerations which face us as civilization rises to a higher plane, demand that all boundaries between the nations shall be effaced, that all tariffs shall be abolished, and that man shall be allotted his full and unfettered freedom to exchange his product with that of any other man on the globe.

LOUIS R. EHRICH.

HOME MARKET (?)

An extract from a letter from an American now in Victoria, Australia:

"The unspeakable fraud and rascality of the tariff shows more plainly here (in Australia) than at home. I bought some hay making tools last week. They are manufactured at Springfield, Ohio. To get here they travel more than half way round the world, pay five per cent. duty and the agent's commission, yet I get them for 1-3 less than the Ohio price.

"This is the kind of protection the Ohio farmer votes himself.

"Owing to our rapid growth the state works could not build locomotives fast enough. Twenty were bought in America and twenty in England, all made after Victorian designs. The American engines are cheaper than the British by 15 per cent. Why, then, should the Baldwin works be protected?"

When the Foreigner Pays the Tax.

"An' so it goes, Hinnissy. Never a sordid worrud, mind ye, but ivrything done on th' fine old principle iv give an' take."

"Well," said Mr. Hennessy, "what difference does it make? Th' foreigner pays th' tax, anyhow."

"He does," said Mr. Dooley, "if he ain't turned back at Castle Garden."—From "Mr. Dooley on the Tariff."

Senator Gore says the tariff enables one man to get without earning what another man earns without getting. That is a terse statement of a great truth.

Where the Shoe Pinches

TARIFF TALKS.

Whenever you buy wearing apparel just charge from 20 to 25 per cent. of its cost up to the protectionists and the Paine-Aldrich tariff.

Under the Payne-Aldrich law, those most able to pay a tariff tax get off the lightest.

Your wife or daughter who buys a woolen or worsted cloth for a dress pays \$9.40 for a pattern that costs \$4 abroad, or a tariff tax of 135 per cent., while the rich man's wife or daughter is only required to pay a tariff tax of 50 per cent. on the imported silk dress she buys.

The steel buttons on the working-man's trousers carry a duty of 126.88 per cent., while milady's ivory buttons pay but 57.40 per cent.

The discrimination against the cheaper grades of wool has created conditions which will result in a decrease in the weight and durability of the clothing worn by the masses of the people, the suits sold from \$8 to \$15 each. The \$8 and \$10 suits of the future must be built of shoddy and cotton, and that the suit which sold for \$10 will hereafter sell for \$12.50. Five dollar trousers will now cost \$6 and \$6.50.

The 50-cent overalls are now 75 cents, and the 50-cent cotton shirt goes up to 75 cents or \$1. You can still get a 50-cent shirt, but it's a flimsy 35-cent fabric, poorly made.

Cotton stockings are articles of universal wear. The new tariff law lays a heavier tax upon the cheaper grades, and in changing the schedules at the request of the manufacturers the cheaper stockings were increased, while no additional tariff was laid upon those which the wealthier use. There are six grades of hosiery under the law. All valued at not more than \$1 a dozen pay a tax of 84 cents a dozen, reducing the combination of ad valorem and specific duties to specific. On this grade the increase is from 67.11 per cent. to 88 per cent. Stockings valued at from \$1 to \$1.50 per dozen are taxed \$1.03 per dozen. On this grade the increase is from 58.32 per cent. to 76.37 per cent. Stockings valued at from \$1.50 to \$2 a dozen pay a tax of \$1.08 per dozen. On this grade the increase is from 51.41 to 61.81 per cent. On the other three grades, from \$2 to \$3 per dozen, from \$3 to \$5, and above \$5, no increases were made, although asked for by the manufacturers. The increases as given were precisely

those asked for by the manufacturers. It will be noted that the costlier the stocking the smaller the per cent. of duty, the last three grades, it may be added, being taxed from 55 per cent. for the highest priced to 64 per cent. for the lower priced.

Hats and bonnets costing \$5 or less per dozen are taxed 62 per cent., while those costing more than \$20 per dozen get in for 35 per cent.

Woolen blankets of the character used by the poorer people carry a tariff of 165.42 per cent. Those used by the better-to-do carry a duty of 104.55. The tax on the cheaper blankets is more than half again as much as upon the better quality.

Cheaper woolen flannels, valued at not more than 40 cents a pound, are taxed at 143.67 per cent. Those used by the better class of people, worth over 70 cents a pound, are taxed at 76.37 per cent. The cheaper wool plushes are taxed at 141.78 per cent. of their value, the dearer ones at 95.33 per cent. One wool knit fabrics (not wearing apparel) the cheaper grades carry 141 per cent. tariff, the higher grades 95.67 per cent.

Think of putting a tariff of 141 per cent. as on wool fabrics, 165 per cent. as upon cheap blankets, 143 per cent. on flannel underwear for the masses. A tariff of 141 per cent. means that an article worth \$5 seeking entry into this market must pay a duty of 7.05, making the total cost to the purchaser, the consumer, of \$12.05 not including transportation cost. As a matter of fact there was, under this rate in the Dingley law, just \$1 worth of importations. This proves the rate to be prohibitive, to bar out the foreign manufacturer, while it permitted the home manufacturer to charge the consumer approximately \$12.05, or just enough less than that to make it not worth his while to buy imported goods. It may be conceded, for the argument, that it costs more to produce woolen knit fabrics in this country than abroad, but does anybody contend that that difference would equal the total market value of the foreign product laid down at American ports?

High priced woolen carpets used by the wealthy carry a tariff tax of but 50 per cent., while the carpets used for mats, rugs, etc., which are found in the homes of the common people, are taxed 122.88 per cent.

Editorials

In sugar, the duty was reduced from \$1.95 to \$1.90 per 100 pounds. The old rate prohibited the importation of refined sugar and the new rate does the same. The sugar imported in 1907 was nearly all raw sugar, which the people do not eat but which the sugar trust refines. But as foreign refined sugars are practically barred, the trust, under the tariff, within the confines of the United States, can charge what it pleases. England and America consume most of the sugar sold. In January of this year the wholesale price of sugar in New York was from \$5.05 to \$5.20 per hundredweight. The English market price at the same time was from \$3.23 to \$3.75. The difference is the tariff profit of the trust. To get five cents benefit under the new tariff one must eat 100 pounds.

Beans constitute another staple article of food on the tables of the poor. Not enough beans are raised in America at any time to supply the demand. When a crop fails here the importations invariably increase, showing the steadiness of the demand for them. Thus it is that when the consumer most needs beans and at a lower price he must pay more for them because of the duty. This duty is 45 cents a bushel. An effort was made to secure a reduction, but it failed.

An effort was also made to secure at the hands of Congress a reduction in the price of cattle. This price is now fixed in this country by the beef trust, the raiser having nothing to say about it. In Canada, and in Central and South America there is a surplus of cattle. The grade is not as good as those raised in the United States, and if the tariff were adjusted, it was argued, the poor folks with whom beefsteak is a rarity, could get them oftener. This would not interfere with the rich, who demand the best and would still buy the high-grade American animal. No change was made.

President Taft's "tariff plan" is a marvel of simplicity—let it alone for two years and then make revision by its friends a campaign issue all over again.

Talking about restraint of trade, is there any greater restraint of trade than that of a high protective tariff?

THE MORAL AWAKENING.

Our Country, in fact the whole world, is now passing through a period of rapid economic progress. Reforms, which for years have been merely the dreams of theorists, are now being tried and found practical. This state of affairs is doubtless due to a world-wide moral awakening. We say "moral" advisedly, in as much as the principles of economics are based on right and wrong, rather than on mere mental reasoning. Miss Tarbell, one of our Vice-Presidents, has shown this to be the case with respect to the tariff, in an article which we print in this number of the Broadside.

One of the chief means by which this moral awakening effects its results is by the destruction of many mental figments of sham and buncombe; for the fallacies of the mental plane usually persist until evaporated by the strong light of moral truth. Among the sophistries that are now giving way to the onward march of truth, are the following: that there is some magic in the word "protection;" that wages consist in money, rather than in the purchasing power of that money; and the like arguments of the Protectionist. Protection is founded on more sophistries than any other economic fallacy, and that is the reason why it has so much to fear, and the public so much to hope for, in the present moral awakening.

WATCH CONGRESS.

Congress and many State Legislatures are now handling great economic problems. It is fortunate for the consuming public that our League has two of its officers as members of the National Senate, and one of its officers as a member of the National House of Representatives. These men can be trusted to be true to principles and to think clear. With them on guard, the representatives of the tariff-fed trusts will have a hard fight to get special privileges. A little leaven leavens the whole lump.

Meanwhile the morally-awakened public are carefully watching Congress. Such of the press as is not subsidized by the interests, is urging forward the needs of tariff reduction. The people will re-elect those representatives who are true to them, and will retire those who are not. The freeing of American trade will progress, until the American dollar achieves its full purchasing power of one hundred cents.

ACKNOWLEDGMENTS.

Much is being ably written in the papers at the present time on the subject of the tariff. A careful editor, armed with paste-pot and shears can secure here and there a paragraph, a sentence, a phrase, or an expression, and by combining them, with slight changes of his own, achieve a result far beyond his own power of production. To give full credit to the source of each selection would merely destroy the symmetry of the production. Therefore, where we have taken detached quotations and embodied them in our own articles, we hope that the acknowledgment contained in this editorial will be sufficient. We are grateful to the patriotic press in general, and to the Commoner and the Chicago Bulletin in particular, and we urge that others clip from us as we have clipped from others.

PROTECTION.

The success of the cause of Protection has been almost entirely due to two causes: (1) the fact that when a principle is founded upon the pocket-book rather than on the soul, a strenuous fight will be made, supported by plenty of money; and (2) the alluring sound of the word "Protection." "Self preservation is nature's first law." When you appeal to that law, you appeal to the deepest, though not the highest, human instincts. "Protect yourselves against foreign goods," is the cry. It is much the same cry as the old superstitious exhortation to protect oneself from fresh air, sun-light, and other health-giving forces. If foreign goods are cheaper than domestic goods, why should a man, who is struggling to support his family on a mere pittance, wish to protect himself against goods which would reduce his cost of living? Why should Capital and Labor wish to protect themselves against a freer exchange of commodities, which would mean a wider demand for the products of the most natural and the best paying industries? Yet such is the magic of the word "Protection," that the subsidized demagogues of the vested interests are able to persuade many of the voters to protect themselves against freedom, in favor of oppression.

The protectionists used to urge us to protect their industries. In those days they were more sincere and direct than now. At present they realize that the public has little sympathy with the trusts which the tariff has fostered, and that an appeal to protect these trusts would prove a boomerang. So now the

(Continued on page 15.)

A Tariff Argument for Debaters

PART I.

Introduction.

What is Free Trade? Free Trade is no more than natural trade. Free Trade simply consists in permitting men to trade as they want to. Free Trade is the right of every man to freely exchange the products of his labor and services in such a way as seems to him most advantageous, subject only to such restrictions as the government may find necessary to make for sanitary or moral conditions. More particularly the term is used to apply to a condition of laws which permits a citizen of one country to trade freely with the citizens of other countries, without governmental prohibition, or what virtually amounts to prohibition, in the form of a tariff on importations.

What is a tariff? A tariff is a law of the courts which requires goods landed in our ports or brought into our country to pay a tax, and this tax is called a "duty." The objects of such a law are: (1) to raise money for the National Treasury, and to pay the expenses of the government; (2) to restrict the importation of foreign goods. The goods, when landed, pass through the Custom House at the ports, where they are examined, weighed, measured or counted by the government officials, who receive the amount of the tax.

But this tax, although it is paid by the importer of the goods at the Custom House, does not bear on him, but is at last paid by the consumer, because the higher the tariff or tax is on a particular kind of goods, the higher must the wholesale importer sell it afterward to make a profit in his business. For instance, if the importer brings in cloth for which he gave one dollar per yard, and he wants to make 10 per cent. profit, he must sell it for \$1.10. If the tariff duty or tax on it is 100 per cent., that amounts to another dollar on the yard, and as he still wants to make 10 per cent. on all his outlay he must sell for \$2.20. The retailer who buys from him must also make his profit, which we will call 50 per cent. He will, therefore, have to sell for \$3.30 a yard. Hence it is clear that the tariff increases the ultimate cost to the consumer by just the amount of the duty, plus the profits on the money invested to pay the duty. The foreigner does not pay the tax. The consumer pays the tax and interest thereon.

Thus we have as the antithesis of free trade, a tax borne by the consumer, for the two-fold purpose of raising money and of keeping out foreign goods. This

two-fold purpose must be clearly kept in mind. It must at all times be remembered that the revenue and the protective aspect of the tariff are separate and distinct. Not only this, but they are utterly inconsistent both theoretically and practically. Arguments in favor of protection should not be brought up in defense of a revenue tariff, neither should arguments in favor of a revenue tariff be brought up in support of protection.

A revenue tariff is based on the expectation of the importation of goods upon which a tax is laid, so that the money may be collected for their importation. The protective tariff is based on the principle that goods will be kept out by the prohibitory tax. The two are utterly inconsistent. In so far as the tariff is successful in one of these two phases, it is to that extent a failure in the other. A tariff can only operate as protection by preventing importation, and to whatever degree it prevents importation, it affords no revenue.

Thus we see that free trade is an absence of tariff. In support of free trade we hold the tariff to be indefensible. We define the tariff as a tax upon the consumer for two inconsistent purposes of preventing importation and deriving a revenue from importation. Not only are these purposes inconsistent, but neither in itself is a worthy object. We shall divide our arguments as follows: (1) a proof of the unsoundness of the tariff as a means of revenue; (2) a proof of the unsoundness of the principle of protection, and (3) a rebuttal of the stock arguments used in favor of the tariff, in opposition to free trade.

Revenue Tariff Indefensible.

The tariff as a source of revenue is the most indefensible and wasteful method of taxation that could possibly be devised. We saw above that the consumer eventually pays the tax on imported goods. But that is not all that the tariff forces him to pay. The tariff, by raising the price of imported goods, permits the domestic producer to increase his price a like amount without fear of competition. Suppose that the natural price of a yard of cloth, domestic or foreign, was \$1.00. Without the tariff that is what it would sell for. Suppose a tariff of 100 per cent. The foreigner will now have to sell for \$2.00 a yard. The domestic manufacturer can also raise his price to \$2.00 a yard without fear of competition. On every yard of cloth purchased by an American

consumer, a tax of \$1.00 is paid. The tax on the foreign cloth goes into the treasury of the government. The tax on the domestic cloth goes into the pockets of the manufacturer, to swell his profits. Suppose that five times as much domestic cloth is sold as foreign cloth. On this basis, only one-sixth of the money paid by the consumer in tariff taxes ever reaches the government.

To make things concrete, we will give an exact parallel. Suppose that a town needed \$10,000 to run its government, and devised the following system of taxation to raise it: The tax collector assesses every citizen six times as much as his share of the town expenses. Sixty thousand dollars is thus collected, instead of merely the ten thousand needed to run the town. The ten thousand is turned over to the town treasury. The remaining fifty thousand is divided among the local merchants, "for the purpose of stimulating trade." Would any sane American community stand for this system for a moment? Would any town office-holder have the effrontery to suggest it? Certainly not! And yet can any of our opponents point out any difference between this system and a revenue tariff?

Not only is the system of taxation wasteful, but it is confiscatory to an extent not justified by any sound theories of taxation.

Every organized government has the inherent power to take from any private citizen property which is absolutely necessary for the public welfare. Thus the State gets the right to condemn our land for highway purposes, and the municipality derives its authority to open streets through lots that are privately owned. In all such cases the value of the property is assessed according to statutory provisions, and the owner is paid before the property can be taken. This is not confiscation, but is an enforced sale, the legal name for which is Eminent Domain.

Taxation, however, is something altogether different. The property of the citizen is taken and he gets nothing in return excepting the benefits of being a citizen of a civilized community. Unfortunately this benefit is not infrequently more or less imaginary. However, the State justifies itself for confiscating private property upon the theory that the State preserves law and order, protecting individuals in the exercise of their individual freedom, in the use of their property, and in the enjoyment of their reputation.

The excuse of the State for taking

this tax, which is frequently a burden, is that the government needs money to live on. Obviously, then, if the State exacts from you a greater amount than is absolutely necessary to the legitimate exercise of its legitimate functions, the tax is nothing more than a robbery. The fact that it is committed under forms of law does not make it right.

Approaching the tariff system from this point of view, its enormous injustice will be apparent. The Federal government, like our State government, or our town government, has the right to live at our expense. It is supposed to give us a fair equivalent for our money. In return for the tax which supports the Federal government, it undertakes to defend us from foreign and domestic enemies, and to protect us in the enjoyment of our health, our peace, our comfort and our pursuit of prosperity and happiness.

But when the Federal government uses its irresistible power to deprive us of any portion of our earnings or property, to enrich other classes of our fellow-citizens, it has simply robbed us.

The government has a right to confiscate our property for its own purposes, but it has no right to allow another individual to confiscate our property for his purposes, however much he may need it. The tax oversteps the bounds of legitimate confiscation when its principal result is not the support of the government, but indirectly the support of selected individuals.

A revenue tariff is not only wasteful and unwarrantably confiscatory, but it distributes the burden in a manner that is unjust and is not sanctioned by any theories of political economy. It is a fundamental principle of taxation that taxes should be apportioned in proportion to the ability to pay. This arises from the theory that the government is the ultimate owner of all things. Individuals merely hold property because the government permits them to. For the privilege of holding property, and for the protection of this property, the government has a right to charge at a uniform rate.

The alternative basis for apportionment of taxation is sometimes suggested in the form of taxation in proportion to the benefits to be received from the expenditure of the tax money. This, carried to its logical conclusion, would mean that the children would pay the taxes to support the schools, and that the poor people would pay the taxes for the support of the parks and public gardens.

But the tariff does not justify the requirements of either of these systems. The tariff bears upon the consumer, and bears in proportion more heavily upon those who are least able to pay. Those

who live from hand to mouth pay these taxes with a part of every dollar that they spend, while accumulated wealth pays not a cent of it.

A revenue tariff is not only wasteful, unwarrantably confiscatory, and not only distributes the tax burden unjustly, but it violates the principle of political economy, that it is a bad public policy to tax necessities.

BOOK NOTICE

THE FOLLY OF BUILDING TEMPLES OF PEACE WITH UNTEMPERED MORTAR.

By John Bigelow.

As is well known, the tendency of our time is to concoct peace organizations, to call together peace conferences, to build temples to peace. Such temples ought to be built of tempered, not untempered, mortar. If we are going to cement peace treaties with other nations, we should not begin by declaring flagrant war against them. We do so by striving to support our government through duties levied upon foreign merchandise to such an extent as persistently to exclude that merchandise, whenever possible, from our markets. In his "The Folly of Building Temples of Peace with Untempered Mortar," Mr. Bigelow remarks, that in dealing with foreign commerce we seem to have been "bewitched with the Calvinistic notion that the more commerce has to suffer and struggle, the more it will thrive. It not only taxes the foreign merchant for what he sends one-half of its home cost, but it further discourages his coming to us at all by charging for our harbor hospitalities two or three times as much as he would be charged in the harbors of any other maritime nation in the world." Instead of welcoming the vessel as a special providence, then, we really welcome it as a beast of prey. Among other dire results, our tariff has contributed to drive our ships from the sea, has interfered with the natural and equitable distribution of our wealth by turning it into unnatural channels, has discouraged ingenuity and enterprise outside of the protected industries.—The Outlook.

THE PEARSON RESOLUTIONS.

The fate of the Pearson resolutions in the Massachusetts Senate shows the value of having on guard everywhere staunch advocates of tariff reduction. Senator Pearson is probably the most reactionary figure in Massachusetts politics today. He represents to the State

Senate, what Aldrich and Bailey represent at Washington. During the pendency of the so-called Farmer's Free List at Washington, Pearson introduced a resolution memorializing Congress not to reduce the tariff to such an extent as to injure the wages of the American working man. Pearson claimed that this was directed merely in protection of the shoe industry of Massachusetts.

Senator Hoar opposed the resolutions, pointing out that they were an attack on tariff reduction in general, and that they begged an economic question by assuming that tariff reduction would injure wages. Senator Pearson claimed that if tariff reduction would not injure wages, the passage of his resolutions would not prevent tariff reduction, but the Senate seemed to appreciate the force of Senator Hoar's objections. Senator Malley, the Democratic minority leader, pointed out that we could never have a tariff reduction on articles which we consume unless we assented to reduction of the articles that we produced, and that we must give up a little in order to receive much.

The Pearson resolutions were rejected, and such was the force of Senator Malley's arguments that later resolutions, more specifically referring to Massachusetts industries, were also voted down. Truly, even the standpat Senate of Massachusetts seems to be progressing!

That Free List.

The Payne-Aldrich tariff law is one of "the best tariff bills" ever passed, says the President of the United States. If you don't believe it, says the President, why examine the free list.

All right, let's examine it!

To begin with, we find joss-sticks, bladders, dried blood and horse hair! They're all admitted free of duty. Then there's bird's eggs, lemon juice, turtles and junk!

Then come bones, acorns, ashes, Zaffer, catgut, fossils, Brazilian pebbles and oakum!

It looks as if the Republicans got together and thought of as many things as possible for which the ultimate consumer has no earthly use. Then they slapped them all on the free list!

If a bounty system should be substituted for the protective tariff it would be more successful in helping the laborer. It would only have the same effect as the tipping system has on waiters and Pullman porters. Wages would be reduced to the extent of the bounty. Neither bounties nor tariffs can make wages any higher than what the labor market commands. There is no excuse for either.

ANNUAL MEETING

The annual meeting of the American Free Trade League was held at the American House, Saturday, May 20th. The following officers were elected for the ensuing year:—

PRESIDENT.

Louis R. Ehrich.

VICE-PRESIDENTS.

Massachusetts.

Charles Francis Adams
Charles R. Codman
Charles W. Eliot
William Endicott
Charles F. Fitz
Frank Grant
Charles S. Hamlin
Richard E. Hersom
Henry W. Lamb
Joseph Lee
Charles F. Lovejoy
Arthur T. Lyman
Nathan Matthews
George M. Nash
Josiah Quincy

Rhode Island.

Rowland G. Hazard
Daniel McNiven

Connecticut.

Henry W. Farnam
Irving Fisher
J. C. Schwab
J. T. Sunderland

Maine.

Charles F. Johnson
Augustus A. Percy

New Hampshire.

John M. Parker

Vermont.

Elisha May

Delaware.

Samuel Bancroft, Jr.

Maryland.

Hope H. Barroll

New Jersey.

W. M. Daniels.

New York.

Lawrence Dunham
Robert E. Ely
Henry George, Jr.
Walter H. Page
Thomas M. Osborne
Ida M. Tarbell
Calvin Tomkins
John DeWitt Warner

Pennsylvania.

Arthur B. Farquhar
Joseph Fels
Charles J. Harrah
A. Warren Kelsey
George A. Macbeth

Louisiana.

James H. Dillard

Illinois.

A. G. Danforth
Louis F. Post
Sigmund Zeisler

Indiana.

William C. Ball
John W. Kern
Evans Woollen

Kansas.

Henry Ware Allen
E. T. Shelley

Michigan.

John R. Morley
S. L. Smith

Minnesota.

William C. Edgar

Missouri.

Henry Priesmeyer

North Dakota.

Edward P. Totten

Ohio.

Charles B. Lockwood
Daniel Kiefer

Texas.

R. E. Montgomery
Wisconsin.

Charles R. Benton

California.

David Starr Jordan
Abbot Kinney

Colorado.

Francis B. Hill
George E. Randolph

Nebraska.

W. G. Hastings

Oregon.

C. E. S. Wood

Utah.

L. S. Hills

Washington.

L. B. Faulkner

TREASURER.

John Ritchie

SECRETARY.

Roger Sherman Hoar

EXECUTIVE COMMITTEE.

Harvey N. Shepard

James R. Carret

Howard A. Carson

Judd E. Dewey

Thomas B. Fitzpatrick

Martha P. Hadley

George S. Harrington

Samuel Y. Nash

Albert S. Parsons

Erving Winslow

FREE TRADE

versus

A REVENUE TARIFF.

Address by Mr. Louis R. Ehrich of New York, President of the League.

We meet under national conditions which should give heart to every man who favors sanity and justice in the relations of commerce. That a President, elected by the Party which has stubbornly defended a policy of commercial blockade, should have negotiated a liberal trade-agreement with our Northern neighbor, that he should have possessed the wisdom and the courage to propose absolute freedom of trade to the Canadian commissioners, and that he should have had the boldness to proclaim the fact, mark a turning point in the annals of the American people.

The last half-century witnessed a great development of the policy of international trade isolation. Protection, which has been recognized as the mother of Trusts, is the daughter of War. Our civil conflict and the German-French war gave birth to a progeny of Protectionism. These same fifty years, owing largely to the exploitation of the powers of steam and electricity, have effected a marvellous increase in the aggregate of the world's wealth. If in 1860 a statesman had been gifted with a vision of the tremendous wealth-accumulations of our time, he would have been well justified in prophesying that these opening years of the Twentieth Century would be blessed with the abolition of extreme poverty, with a great reduction in the effort necessary to win a livelihood, and with a great increase in the spirit of peace and of content throughout the civilized world. Strangely enough, the very opposite conditions prevail! The Nations are armed to the teeth, and their armaments are still increasing. Although some classes have grown rich beyond the

dreams of avarice, large sections of society are steeped in poverty so excessive as to demand the constant ministration of highly organized charities. Despite the wonderful growth in the powers of production, from which a reduction in the cost of living might reasonably have been predicted, we are faced with a great increase in the cost of life's necessities. Everywhere there is unrest and discontent.

Dangerous Social Experiments.

Society, realizing that there is something radically wrong in the distribution of the vast wealth it has been creating, is venturing on all kinds of unreasonable and dangerous social experiments. In the effort to get back some of the disproportionate possessions which it has legally licensed certain classes to acquire, Society is resorting to such unscientific and confiscatory measures as inheritance taxes, graduated income taxes, etc., etc. By ill-considered legislation we have engendered monopolistic trusts, and now we seek to curb their power by disturbing attacks on their existence and methods of business. In all of the Western Nations increasing numbers of citizens, realizing the present unfair distribution of what Society produces, are rushing to the dangerous socialistic proposal that the State shall be the sole producer. There is little doubt that in our time, and largely owing to legislative device, Capital and the services of those representing capital have been overpaid; which is tantamount to saying that Labor has been underpaid. Every dynamite outrage is a criminal protest against the existence of unjust industrial conditions.

Strange Explanations.

The most curious explanations are afloat. One set of professors maintain that the present high cost of living is explained by the fact that we are digging an unusual quantity of a certain yellow metal out of the ground. They forget that when we buy, we simply exchange human services. Price is only a register of the reciprocal value of services exchanged. The basis complaint today is not that, to make life supportable and comfortable, we have to surrender too many grains of the yellow metal, but that we have to expend too much of human effort. And this comes because, through evil legislation, we have empowered certain classes to over-value the commodities they offer in exchange. And this same inequitable system practically prevails throughout the earth.

Unnatural Conditions.

Protection throws the whole balance of production and consumption out of equilibrium. Under natural competitive conditions Capital must seek its reward by an ever-increasing production with coincident reduction in prices, thus creating an increasing demand for Labor, with a cheapening of what the laborer must buy. Under our present arbitrary interference with natural laws, Capital secures its disproportionate reward by restricting output with corresponding advance in prices. This means a decreased demand for labor with added burdens in the struggle for existence. It explains why, in this day of plenty and of miraculous invention, great armies of human beings are condemned to live on or below the margin of subsis-

tence. It also explains why at this time, when there is not a cloud in our national sky, and when we have but just extracted a value of nine billions from our soil, we should have a hundred and eighty-six thousand freight cars lying idle, with business halting and stagnant throughout the country.

Protection is a war-breeder! Externally it means commercial war between Nation and Nation; internally it means industrial war between Capital and Labor. At this very epoch, when the improvements in transportation have brought the Nations into closer relations, the business of the world is still based on the spirit of isolation and of injustice; and injustice is always a pent-up volcano.

Is a Revenue Tariff Acceptable?

A dim perception of these facts led to a political overturn in our elections of last November. The Democratic Party, now in control of the House of Representatives, has pledged itself to reduce the Tariff so as to make it mainly a means towards raising the necessary revenues of Government. Is such a fiscal policy acceptable? It is surely less objectionable than extreme Protection; but, on the score of logical consistency, it is even less defensible. That a man, who, by some process of tortuous reasoning, has convinced himself that it is wise to reduce the natural labor demand which flows from imports, who favors a policy which tends to burden men with more rather than to make easier the satisfaction of their wants, whose mind is intent upon the production of wealth without regard to its equitable distribution, that such a man should champion Protectionism is logically conceivable. But that a man who favors the international exchange of commodities, who believes that the incidence of Taxation should not fall on the poorer classes, whose motto is "Special privileges for none," and who advocates economy in Governmental expenditures, that a man of such convictions should defend a revenue-tariff is logically incomprehensible.

A revenue-tariff is only diluted Protection. It acts equally as an unnatural barrier between Nations, it is equally productive of Governmental extravagance (and if well-devised may become more so) and it reduces the scale but does not destroy the essence of special privilege. Some Democrats frankly admit this. Three years ago the Democratic State Convention in California again declared in its Platform: "The difference between Parties is one of the degree of protection to be afforded."

Revenue Tariff Experience.

But the worst feature of a revenue-tariff is that it is only a temporary adjustment. It keeps the tariff question alive. It maintains intact all the administrative machinery for high protection; it keeps in hungry suspense the appetite of the classes who have fattened on Protection favors; and, no matter how well justified by the results, it will be constantly attacked and, with the first coming of accidental adverse conditions, is sure to be overthrown. Thus the same battle for Tariff-reduction will have to be fought over and over again. The Walker revenue-tariff of 1846 gave

us the most prosperous years ever enjoyed by our Nation. Its effects had been so satisfactory that none of the National political platforms of 1856 contained any allusion to the tariff. The optimists of the period persuaded themselves that the Tariff Question had been permanently settled. Yet today after an interval exceeding half a century, we find ourselves suffering from the most Protective Tariff ever enacted. The policy of Protection will never cease from poisoning our political and industrial life until the Tariff is completely abolished. Free Trade, absolute, unlimited Free Trade, is the only practical, the only satisfactory, the only permanent solution.

The Fear of Cheap Labor.

The removal of all interference with the natural laws of exchange would bring world-wide beneficent results. Above all it would increase the share of the wage-earner in the wealth which he helps to produce. We find many thoughtful men who have been converted to Free Trade with the highly civilized nations, but who fear unrestricted exchange with Asiatic low-paid labor. They do not appreciate the demonstrated facts that the highest-priced labor is the cheapest labor as measured by the product; and that low-wage labor is always employed on the low-priced commodities which are the least profitable to manufacture. On this issue we can turn from theory to experience. For the last sixty years England has opened wide her ports to free exchange with all the nations, wholly irrespective of their wage-scale. The convincing result is that, despite her limited area, her congested population, her iniquitous land system, and her prodigal waste of treasure in colonial adventures, England pays her laborers higher wages than those prevailing in any of the protected nations (the United States alone excepted), and she has amassed wealth in such superlative degree as to make her the creditor nation of the globe.

Results of Free Trade.

We hear much these days of "Conservation," of "scientific management," of "the doctrine of efficiency." There can be no real efficiency in our industrial life, no scientific management or conservation of the resources of this planet until these resources are virtually conveyed to the race as a whole by the simple expedient of removing all trade barriers, and by conferring on every man the privilege of making what he can most advantageously produce, and the right to exchange it in absolute freedom with the rest of mankind.

Free Trade would reduce poverty, and poverty's issue—crime. Free Trade would introduce more normal and more stable conditions in our business life, preventing the present oscillations between hot-house prosperity and trade stagnation. Although Free Trade, with the reasonable tax laws which it would bring as a sequence, would make it impossible for any man to acquire hundreds of millions in the period of a single life, it would none the less yield ample reward to the captains of industry, with the added consciousness that their possessions were made far safer against the inroads of society, and that they had not been obtained by the legalized plunder of their fellow-men. Free

Trade would tend more to introduce peace and good-will in the world than a hundred Hague conferences or a thousand Peace temples.

The Practical and the Ideal.

To all this men are apt to reply: "Free Trade is ideal, but it is not practical." My friends, the ideal is always the practical. It is the only practical. It is the ideal because it is the practical. Men shrink from the great forward movements through timidity, through the power of inertia, through a misnamed Conservatism. When in this very city men first contended that the only cure for slavery was its complete abolition, they were scoffed at as fanatical idealists; and yet our history and our experience abundantly prove that they alone were the practical men, and that they offered the only practical and permanent solution of the question.

The Sources of Revenue.

We now collect about three hundred and forty millions from tariff taxes. Of this the forty millions which have come from the "duties" on imported tobacco and alcoholics could be secured by internal revenue devices. How about the remaining three hundred millions? Let us premise by the general statement that we defy the wit of man to conceive any plan of raising national revenue which shall be as anti-social and as productive of evil as the present method of taxing the buying power represented by incoming merchandise. We might suggest that one way, and a very healthy way, in which to make a balance between income and expenses is to reduce expenses. It is well to remember that a New England Senator, after a very extended legislative experience, contended that improved methods of conducting our national administration would effect an annual saving of three hundred millions. But, irrespective of this, it will be found that the expenses of State and of Nation can be readily and abundantly met, without subtracting from the results of individual efforts, by the absorption of the wealth which Society as a whole produces through the increase and concentration of population.

Conclusion.

A revenue-tariff means repeated agitation and change incident to the ups-and-downs of party control. Free Trade means a settlement once and for all of this most persistent and most troublesome issue of American politics. Let us build not on the shifting sands of popular impulse, but basing our structure on the solid rock of equity and of justice, let us construct an industrial system which shall be in harmony with the laws of Nature and with the highest aims of civilization, and which shall bring increasing progress and well-being to mankind for all time to come.

(This scholarly address of our president has been printed in pamphlet form and copies were sent to every member of the Federal Congress. A few additional copies still remain at headquarters and will be furnished to members or others for two cents each. See also our book notice on page 14.)

Wages Are What Wages Buy

EXTRACTS FROM "A CONNECTICUT
YANKEE IN KING ARTHUR'S
COURT."

By Mark Twain.

A man who hasn't had much experience and doesn't think is apt to measure a nation's prosperity or lack of prosperity by the mere size of the prevailing wages: if the wages be high, the nation is prosperous; if low, it isn't. Which is an error. It isn't what sum you get, it's how much you can buy with it that's the important thing; and it's that that tells whether your wages are high in fact or only high in name. I could remember how it was in the time of our great Civil War in the nineteenth century. In the North a carpenter got \$3 a day, gold valuation; in the South he got \$50—payable in Confederate shinplasters worth a dollar a bushel. In the North a suit of overalls cost \$3—a day's wages; in the South it cost \$75, which was two days' wages. Other things were in proportion. Consequently, wages were twice as high in the North as they were in the South, because the one wage had that much more purchasing power than the other had.

At a first glance things appeared to be exceedingly prosperous in this little tributary kingdom (King Arthur's)—whose lord was King Bagdemagus—as compared with the state of things in my own region. They had the "protection" system in full force here, whereas we were working along down towards free trade, by easy stages, and were now about half way. Before long Dowley (the blacksmith) and I were doing all the talking, the others hungrily listening. Dowley warmed to his work, snuffed an advantage in the air, and began to put questions which he considered pretty awkward ones for me, and they did have something of that look:

"In your country, brother, what is the wage of a master bailiff, master hind, carter, shepherd, swineherd?"

"Twenty-five milrays a day; that is to say, a quarter of a cent."

The smith's face beamed with joy. He said:

"With us they are allowed the double of it. And what may a mechanic get—carpenter, dauber, mason, painter, blacksmith, wheelwright and the like?"

"On the average, fifty milrays; half a cent a day."

"Ho-ho! With us they are allowed a hundred! With us any good mechanic is allowed a cent a day! I count out the tailor, but not the others—they are all allowed a cent a day, and in driving

times they get more—yes, up to a hundred and ten, and even fifteen, milrays a day. I've paid a hundred and fifteen myself within the week. 'Rah for protection—to Sheol with free trade!'"

And his face shone upon the company like a sunburst. But I didn't scare at all. I rigged up my pile-driver and allowed myself fifteen minutes to drive him into the earth—drive him all in—drive him in till not even the curve of his skull should show above ground. Here is the way I started in on him. I asked:

"What do you pay a pound for salt?"

"A hundred milrays."

"We pay forty. What do you pay for beef and mutton?"

"It varieth somewhat, but not much; one may say 75 milrays the pound."

"We pay 33. What do you pay for eggs?"

"Fifty milrays the dozen."

"We pay 20. What do you pay for beer?"

"It costeth us 8 1-2 milrays the pint."

"We get it for 4; 25 bottles for a cent. What do you pay for wheat?"

"At the rate of 900 milrays the bushel."

"We pay 400. What do you pay for a man's tow-linen suit?"

"Thirteen cents."

"We pay 6. What do you pay for a stuff gown for the wife of the laborer or the mechanic?"

"We pay 8.4.0."

"Well, observe the difference: you pay eight cents and four mills, we pay only four cents." I prepared, now, to sock it to him. I said: "Look here, dear friend, what's become of your high wages you were bragging so about a few minutes ago?"—and I looked around on the company with placid satisfaction, for I had slipped up on him gradually and tied him hand and foot, you see, without his ever noticing that he was being tied at all. "What's become of those noble high wages of yours? I seemed to have knocked the stuffing all out of them, it appears to me."

But if you will believe me, he merely looked surprised, that is all! He didn't grasp the situation at all; didn't know he had walked into a trap; didn't discover that he was in a trap. I could have shot him, from sheer vexation. With cloudy eye and a struggling intellect he fetched this out:

"Marry, I seem not to understand. It is proved that our wages be double thine; how, then, may it be that thou'st knocked therefrom the stuffing?—and I

miscall not the wonderly word, this being the first time under grace and providence of God it hath been granted me to hear it."

Well, I was stunned; partly with this unlooked-for stupidity on his part and partly because his fellows so manifestly sided with him and were of his mind—if you might call it mind. My position was simple enough, plain enough; how could it ever be simplified more? However, I must try.

"Why, look here, Brother Dowley, don't you see? Your wages are merely higher than ours in name, not in fact."

"Hear him! They are the double—ye had confessed it yourself."

"Yes, yes, I don't deny that at all. But that's got nothing to do with it; the amount of the wages in mere coins, with meaningless names attached to them to know them by, has got nothing to do with it. The thing is, how much can you buy with your wages? that's the idea. While it is true that with you a good mechanic is allowed about three dollars and a half a year, and with us only about a dollar and seventy-five—"

"There—ye're confessing it again, ye're confessing it again!"

"Confound it, I've never denied it, I tell you! What I say is this: With us half a dollar buys more than a dollar buys with you, and therefore it stands to reason and the commonest kind of common-sense, that our wages are higher than yours."

He looked dazed and said, despairingly:

"Verily, I cannot make it out. Ye've just said ours are the higher, and with the same breath ye take it back."

"Oh, great Scott! isn't it possible to get such a simple thing through your head? Now look here—let me illustrate. We pay four cents for a woman's stuff gown; you pay 8.4.0, which is four mills more than double. What do you allow a laboring woman who works on a farm?"

"Two mills a day."

"Very good; we allow but half as much; we pay her only a tenth of a cent a day; and—"

"Again ye've conf—"

"Wait! Now, you see, the thing is very simple; this time you'll understand it. For instance, it takes your woman 42 days to earn her gown, at 2 mills a day—7 weeks' work; but ours earns hers in 40 days—2 days short of 7 weeks. Your woman has a gown, and her whole 7 weeks' wages are gone; ours has a gown, and two days' wages left, to buy something with. There—now do you understand it?"

He looked—well, he merely looked dubious, it's the most I can say; so did the others. I waited—to let the thing work. Dowley spoke at last, and betrayed the fact that he actually hadn't gotten away from his rooted and grounded superstitions yet. He said, with a trifle of hesitancy:

"But—but—ye cannot fail to grant that two mills a day is better than one."

Shucks! Well, of course I hated to give it up. So I chanced another flyer:

"Let us suppose another case. Suppose one of your journeymen goes out and buys the following articles:

- 1 pound of salt;
- 1 dozen of eggs;
- 1 dozen pints of beer;
- 1 bushel of wheat;
- 1 tow-linen suit;
- 5 pounds of beef;
- 5 pounds of mutton;

The lot will cost him 32 cents. It takes him 32 working days to earn the money—5 weeks and 2 days. Let him come to us and work 32 days at half the wages, he can buy all those things for a shade under 14 1-2 cents; they will cost him a shade under 29 days' work, and he will have about half a week's wages over. Carry it through the year, he would save nearly a week's wages every two months, your man nothing; thus saving five or six weeks' wages in a year, your man not a cent. Now I reckon you understand that 'high wages' and 'low wages' are phrases that don't mean anything in the world until you find out which of them will buy the most!"

It was a crusher.

But alas, it didn't crush. No, I had to give it up. What those people valued was high wages; it didn't seem to be a matter of any consequence to them whether the high wages would buy anything or not. They stood for "protection," and swore by it, which was reasonable enough, because interested parties had gulled them into the notion that it was protection which had created their high wages. I proved to them that in a quarter of a century their wages had advanced but 30 per cent., while the cost of living had gone up 100; and that with us, in a shorter time, wages had advanced 40 per cent., while the cost of living had gone steadily down. But it didn't do any good. Nothing could unseat their strange beliefs.

The workingman sells labor power. Labor power is imported from foreign lands duty free. With the wages he receives he buys food and clothing, which he votes to tax in the guise of "protection." He votes to cheapen the one thing he has to sell and to make scarce and therefore dear the many things he buys. O, wise workingman!

Tariff Figures

Richard E. Hersom, one of the Vice-Presidents of our League, is a prominent dealer in Boston's famous Faneuil Hall market. Again Faneuil Hall has proved to be the "Cradle of Liberty," for it cradled Hersom's idea of showing in concrete and homely figures the effect of the recent Republican high

tariff on the purchasing power of the American dollar. He made out a list of the average two weeks' provisions purchased by the average American family, and then compared the cost, item by item with the cost of fourteen years ago.

One of his lists follows:

Item	Price in	Price in
	1896	1911
4 lbs. salt pork	\$0.24	\$0.72
8 lbs. roast pork	.56	1.60
5 lbs. smoked shoulder	.35	.75
4 lbs. bacon	.48	1.08
2 lbs. sausage	.16	.44
5 lb. pail of lard	.30	.90
5 lbs. corned beef	.40	.75
5 lbs. butter	1.10	1.90
4 doz. eggs	.88	2.00
2 lbs. cheese	.24	.44
2 qts. beans	.12	.24
1 bag flour	.55	.95
10 lbs. sugar	.45	.60
5 lbs. fowl	.60	1.10
2 lbs. rump steak	.44	.70
	\$6.87	\$14.17

Mr. Hersom furnished lists to the Democratic candidates in Maine, and these were recognized all over that state as one of the most potent agencies for the Democratic victory. When the Democrats from Maine went into the other states to give political advice in the following national campaign, their chief idea was to use Mr. Hersom's figures. The pamphlets containing these figures were circulated in the in-

terests of Governor Foss. Successful candidates for other places on the state ticket also used them to advantage. This instance shows the advantage of adding concrete examples to general principles.

We urge every low tariff candidate for office to make out similar figures of the cost of provisions in his own district.

From An Old Anvil

HENRY GEORGE ON FREE TRADE WITH CANADA.

[From His "Protection and Free Trade" written in 1886.]

What are the real, substantial advantages of this Union of ours? Are they not summed up in the absolute freedom of trade which it secures and the community of interests that grows out of this freedom? If our States were fighting each other with hostile tariffs and a citizen could not cross a State boundary line without having his baggage searched or a book printed in New York could not be sent across the river to Jersey City without being held in the post-office until duty was paid, how long would our Union last or what would it be worth? The true benefits of our Union, the true basis of the interstate peace it secures, are that it has prevented the establishment of State tariffs and given us free trade over the better part of a continent.

We may "extend the area of freedom" whenever we choose to—whenever we

apply to our intercourse with other nations the same principle that we apply to intercourse between our States. We may annex Canada to all intents and purposes whenever we throw down the tariff wall we have built around ourselves. This would make the two countries practically one. Whether the Canadians chose to maintain a separate Parliament and pay a British lordling for keeping up a mock court at Rideau Hall need not in the slightest concern us. The intimate relations that would come of unrestricted commerce would soon obliterate the boundary line, and mutual interest and mutual convenience would speedily induce the extension over both countries of the same general laws and institutions.

Please examine the advertisements in "The Protectionist," published by the "Home Market Club." Then you will know why that paper and that organization is opposed to free trade. "There's a reason!"

Protection Is Immoral

TESTING THE TARIFF BY MORAL EFFECTS.

By Ida M. Tarbell, Vice-President of the League.

(Extracts from the American Magazine.)

Every practice, law, system of religion, government or society must be finally sifted down to this: Is it moral—are men better or worse for it? What does it make for, in the main, callousness or gentleness, greed or unselfishness? Are men because of it more eager for freedom of mind and joy of heart or are they more eager for gain and material comfort? There you have the final test for kings and captains of industry, for armies and factories, for laws and social dicta.

The troubled face of today is chiefly due to the realization that so much of our achievement does not stand the morality test—does not make the right kind of men. Here is where the trust as we know it fails. A Standard Oil Company violates a man's self-respect and outrages the rights of the other man. The harsh judgment of the world is due to that. The gathering into a few hands of what nature made for all, weakens equally the sense of justice in the individual and limits the natural freedom of his fellow, and doing so must cease. Here, too, is the final case against what many struggle to sanction by calling it the American doctrine—the doctrine of protection. As we know it, it operates in defiance, and often in contempt, of the imperative moral demand that all human activities improve, not injure, those concerned, that men be better, not worse, for them.

The history of protection in this country is one long story of injured manhood. Tap it at any point and you find it encouraging weak, base human traits—self-interest, self-deception, indifference to the claims of others. Take the class chiefly involved in making a tariff bill—the supplicants for protection and the legislators who grant it. We have seen in previous articles how they work, the ends they seek, the methods they employ. What kind of men does this make of them? To begin with, it destroys their self-respect. No man can carry on the kind of lobbying done in Washington and not lose finally the ability to blush for himself. In the contest over the Payne tariff bill I watched the struggle of a group of men new to the work, to get a duty on their product. They left their business at home to keep up in Washington for many weeks a large and active lobby. They lived at the best hotels and entertained

royally. They sought from all over the country the aid of persons in all kinds of professions, and of all grades of character and intelligence, and for what? On the chance that through them they might for a few moments secure an interview with this or that Senator or Representative whose support they hoped to win. It was new work for them. They had spent their lives at home attending to their own enterprises. There, they were aggressive, out-spoken, sure of themselves. Here, they became suddenly obsequious, fluttered, chary of speech. Their days were spent in scurrying around, in concocting petty schemes for getting at men, in marshaling motley delegations of individuals who should have been at home at work, before Senators who gave them a hurried hand and as often as not answered their supplication with a curt "Not interested. My State does not produce the article."

Now, it is not possible for a man to do the kind of work they did without a sacrifice of self-respect; moreover, it is not possible for a man to do the kind of thing they saw to be necessary to success without sacrificing his respect for the Congress of the United States. An honest man, with only a fair notion of what Democracy means, must be shocked by the idea of running his business through Congress.

This, then, is the kind of man the protective system as we practise it encourages; a man unwilling to take his chances in a free world-struggle; a man whose sense of propriety and loyalty has been so perverted that he is willing to treat the Congress of the United States as an adjunct to his business, one who regards freedom of speech as a menace and the quality of his product of less importance than the quantity. Now this man at every point is a contradiction to the democratic ideal of manhood. The sturdy self-reliance, the quick response of the ideals of free self-government, the unwillingness to restrain the other man, to hamper his opportunity or sap his resources, all of these fine things have gone out of him. He is an unsound democratic product, a very good type of the creature that privilege has already produced.

But this man would be impossible were it not that he has the backing of politicians and law-makers. Behind and allied with every successful high-tariff group is a political group. That is, under our operation of the protective doctrine we have developed a politician who encourages the most dangerous kind of citizenship a democracy can know—the panicky, grasping, idealless

kind. And this is the most serious charge that can be made against the man who holds or seeks office, that he injures the quality of the citizen.

The man who is a candidate for Congress in any district, city or country, has two courses open to him: He can appeal to greed or to the ideal. He has the opportunity to discuss with his constituents the questions and measures of his day and to win them by the enthusiasm he awakens for ideas. He has equally the opportunity to win them by the promises he makes—the promises of individual local benefits, like pensions and public buildings, or the promise of securing protection for local industries. The man who promises to work for a duty on some local industry, regardless of the general good, encourages this selfish sort of citizenship.

The brain is an accommodating organ. You can persuade it to believe about as you will, and once turned from the habit of giving you what is true, to giving you what you would like to be true, you can never count on it again. The mind of the high protectionist can be counted on to back him up in the idea that morals have no relation to the doctrine. This is probably what supported Senator Lodge two years ago when he delivered his cynical answer to the gentleman who sought his support for a permanent non-partisan tariff commission: "We don't want information, what we want is votes." Mr. Aldrich has not hesitated to sneer publicly at the notion of there being a moral side to the tariff question. Take the episode of the increased duty on manufactured rubber goods, an increase made without satisfactory explanation or justification. The personal and political relations of Mr. Aldrich to the crude rubber interests and to the "Rubber Trust," were of such a nature that the public was outraged by the operation; for, hardened as we have become to our legislators juggling with the duties, we have never hardened ourselves to the spectacle of their raising duties on articles in which they were personally interested. Mr. Aldrich did not hesitate, however, to make himself responsible for what can only be looked on as an arbitrary advance on manufactured rubber, an article in which he was interested both directly as a stockholder in the rubber trust, and indirectly as an officer and stockholder in a crude rubber concern having large contracts with the trust. And when all this was pointed out and a public protest was made so angry and loud that Mr. Aldrich was forced to reply, his answer included an

(Continued on page 13.)

Current Press Opinions on the Tariff

A TARIFF FOR PROTECTION UNCONSTITUTIONAL

Some of the ablest lawyers in the country have expressed the opinion that the only constitutional warrant for tariff duties is the need of revenues for the support of the National Government, and that Congress has no legal right to collect customhouse duties for any other purpose, or to protect one class of citizens at the expense of all the others. But strange as it may seem the United States Supreme Court has never been asked to pass on the constitutionality of the protective principle, although large sums of money have been spent by the Tariff Reform League in printing literature assailing that principle.

There does not seem to be any doubt that when duties are levied to exclude foreign goods and to give American manufacturers a monopoly of the home market such duties are unconstitutional, but we have been told that because the tariff is entitled "A bill to raise revenue, etc.," a test case cannot be brought in the Supreme Court. "That view is superficial," says Thomas E. Watson, in a letter to the New York World. "To any legal mind it should be clear that the prohibitive character of the duties and the manipulation of the free list raise a doubt, at least, as to the purpose of the law. The true meaning being ambiguous, resort must be had to the expressions used by those who took part in framing the bill."

Mr. Watson contends that it is perfectly competent to offer in evidence the speeches made by the Congressmen who favor the protection of American industries by the collection of tariff duties on imports, and by the admissions of its friends, recorded officially as they are made, protective tariffs could be judicially damned. He promises that if the Tariff Reform League fails to attack the iniquitous system along this line he will do it himself as soon as he can get some other irons out of the fire, for he is convinced that if there was nothing else to disclose the real intent of the so-called "revenue bills" the drawback provisions and the discretionary powers given the President would do it.

It is to be hoped that Mr. Watson will find a way to get the matter before the Supreme Court with as little delay as possible, for the question of the constitutionality of the protective tariff has often been raised and it is clearly one that should be passed on by that tribunal. —New Orleans States.

ALTRUISTIC SELFISHNESS.

The President frankly appealed to the "selfish interests" of the producers of cottonseed oil in his address to them last month. They stand to gain a great deal by the free admission of their product into Canadian markets. But note the wide difference of this "selfishness" from that upon which protective tariffs are based. Here is no proposal of a disguised bounty from the treasury or of a tax levied upon the many for the benefit of a few. The plan is simply to enlarge a given trade by removing artificial fetters. The cottonseed oil industry will reap an advantage, but nobody will be harmed, and even the Canadians will be benefited by getting cheaper an article in wide use. Free trade does, indeed, have an eye to self-interest, but it is the self-interest of the consuming masses. The protective system could never have been broken down in England had not Cobden and Bright been able to convince the majority of the people that they were wronged by class legislation and that they had a vital interest in abolishing the corn laws and striking off the protective taxes on manufactured goods. President Taft is, whether consciously or not, using much the same argument, and it can be objected to only by those who do not believe that laws should aim to secure the greatest good of the greatest number. —N. Y. Evening Post.

THE VIEWPOINT OF A PATRIOTIC MANUFACTURER.

Representative Redfield of Brooklyn made in the House one of those speeches that are really effective assaults upon the high-protection system. It derives unusual weight from the circumstance that Mr. Redfield is himself a manufacturer of machinery on a large scale, and, besides knowing the situation here and abroad through his experience in the export trade in his own line of production, has studied foreign conditions in the course of extensive travel. Upon the question of difference of cost of production, he boldly declared that it is impossible to determine such difference, and that the results obtained by the tariff board will be worthless for this purpose unless the board is empowered to call for the cost sheets of the factories engaged in the line of manufacture it is studying. He asserted, what has been declared before by many economists and practical men, that, per unit of product, American labor is the cheapest in the world; and, while this is of course not true in all lines, there can be no doubt of its truth in many important fields. In a recent interview, Mr. Red-

field had made an extremely interesting statement on this head. In visiting Japan, he had been struck by the fact that American locomotives were sold in that country, in competition with big Japanese locomotive works, at which the workmen got only one-fifth of the wages that are paid in the United States. Upon investigation, his conclusion was that the actual labor cost in the Japanese locomotive works was three times that in the American, in spite of the low wages. A prosperous manufacturer declaring the tariff protection in his own industry a fraud, and able to give solid reasons for his assertion, is distinctly worth while as a Democratic member of the House of Representatives. —N. Y. Evening Post.

AMERICAN ANIMALS.

The customs court has given a decision which promises to make customs collectors even more unpopular than now. Treasury officials declare it will entangle the government in no end of disputes unless Congress amends it.

Three words in one section of the Payne-Aldrich law have been construed to mean that any American-born animal, once taken out of this country, must pay duty to return. It is held that the law applies to all animals, from pet poodles to draught horses. Heretofore customs collectors have been allowed to exercise some discretion in enforcing this provision. Hereafter they will have no alternative, and the following will be some of its effects:

An American woman who takes her pet poodle to Europe will have to pay duty on it when she returns. Collector Loeb, at New York, has begged the treasury department to allow him to wink at the law, but has been advised that the government will allow no winks.

A Niagara Falls hackman will no longer be allowed to drive his fare across the gorge to the Canadian side of the waterfall unless he is prepared to pay full duty on his horse when he comes back. There is no provision by which he might put up a bond guaranteeing his return.

Many Americans who have summer homes in Canada and usually take their horses and dogs with them will be confronted with a duty when they return.

At some places along the border, customs officials say, the enforcement of the law will amount to a restriction of commerce between cities. Much teaming is done between Detroit and Windsor over the ferries.

—Boston Herald.

PROTECTION IMMORAL.

(Continued from page 11.)

angry sneer at those "who prate about the treatment of the tariff as a moral issue." There you have it direct—the complete repudiation of the idea that right and wrong have anything to do with protection.

This, then, is the kind of law-giver the doctrine makes of its advocate. He is no more satisfactory than is the tariff-made citizen. Both are undesirable and both are doomed.

WHO MAKES THE TARIFF.

Some of our readers may be under the erroneous impression that Congress makes the tariff. Not at all. Congress, being a truly representative body, represents the wishes of the great interests which help to elect the various members. Congress is only the phonograph; the discs are engraved elsewhere, as will be seen by the following items:

Any person desiring the facts for himself—they are too long to recite here—can find them on pages 5238 and 5239 of the Congressional Record for Aug. 6, 1909. A committee of cotton men presented two paragraphs defining the terms used in the tariff bill relating to cotton cloths. The House accepted them and incorporated them in the bill. Chairman Payne later discovered that it was intended to more than double certain duties. He rose in the House and had it stricken out. When the bill came from Aldrich's committee in the Senate it had again been inserted. A fight was made on it and it was eliminated. When the bill came back from conference it was there again in a new guise. And it is there now, in the completed bill. The cotton industry was proven by Senator Gore's figures to be highly prosperous, but the Senate gave it increased protection. It was proven later by Senator Dolliver that the schedules were dictated by the cotton manufacturers, but they were not struck out.

The revision in this schedule was upward, and President Taft, who promised downward revision, made no effort to have it changed when the bill got into conference, but signed it as it was drawn by the manufacturers.

" * * * The revision of the tariff on wool was substantially settled at Chicago on Oct. 15, 1908, three weeks before election, at a secret meeting between representatives of the worsted interests and of the growers of heavy shrinking wool in the four States of the far west."—Extract from the letter of Robert Bleakie, of Hyde Park, one of the most prominent New England carded woolen manufacturers, in reply to Col. Albert Clarke, of the Home Market Club.

Miss Ida Tarbell Gives The Following Anecdotes in The American Magazine.

The man who fears will do more than sacrifice self-respect—will lose more than his sense of the dignity and the importance of the Congress of the United States; the chances are that he will not hesitate to employ the most questionable pressure to get his way. One of the significant episodes in the controversy which followed the changes in the cotton schedule made in the Payne-Aldrich tariff bill was a frank and detailed protest against the methods employed by one of the most successful cotton manufacturers in the country, Walter H. Langshaw of New Bedford, Mass. Mr. Langshaw is one of the few cotton men now in the country who has advanced from mill hand to mill owner. He came to this country soon after the Civil War when but five or six years old. He was a bobbin-boy under Walter Whitman. He worked in the mills of Senator Lippitt. He fought his way slowly up through weave rooms to a foreman's place in a New Bedford mill. He saved and bought a little stock. A raid on the mills in which he was interested aroused him. He exercised his rights as a minority stockholder, so ably that he obtained control of the mill. Out of this Mr. Whitman's one-time bobbin boy has built up the Dartmouth Mills of New Bedford into which some \$4,000,000 have gone. The average annual dividend on the common stock of this mill in the five-year period 1905-9 was 38 per cent. Besides this a stock dividend of 100 per cent. was declared in 1909.

Why should Mr. Langshaw, with such a record and believing protection necessary to cotton manufacturers, revolt against the great organizations which are supposed to look after the interests of his business, the Arkwright Club and the Home Market Club? Because his experience has led him to believe that the methods of tariff legislation these clubs have been employing are contrary to sound business principles and to sound morals. Mr. Langshaw has not hesitated to say in print that to his mind the methods employed have made of the tariff "a moral issue and a vital one." The experiences which have led him to this conclusion began as far back as 1896. He was going through a mill with a prominent member of the Home Market Club. It was at a moment when there was a small, a very small, agitation for a duty on Egyptian cotton. "What is the good of such a duty?" Mr. Langshaw asked; "we use only a little of it, and the foreign manufacturer would have an advantage over us if we had to pay duty." And what was the reply, "It will help us to get the Southern vote!" The idea of con-

ducting his business according to the Southern vote was too much for Mr. Langshaw's common sense, perhaps for his sense of humor. He began to watch the Home Market Club.

In 1909 when panic struck the stand-pat cotton and wool clubs of New England at the commotion their rather stupid tariff campaign had aroused, Mr. Langshaw kept quiet and waited to see what would be done. Finally he was approached by a press agent of the Arkwright Club, who asked for a contribution. He hesitated but was assured that they proposed to publish a series of "educational articles" in defense of protection—a proper work as he looked at it. He subscribed for his mills at a rate per spindle which, if followed by other manufacturers, must have netted the Arkwright Club fund some \$25,000. But Mr. Langshaw saw nothing of the "educational articles." Finally he wrote to headquarters. "It has occurred to me to write to you for information as to the total sum of money collected; what has been the expense to date; what work has been done, and submit me data showing the character of the work," and here is the answer, "In reply to your letter of September 21st, I would say that from public statements which you have recently made, it seems to those who have been interested in the effort to diffuse correct information in regard to the tariff and its effects, that you are no longer in sympathy with that movement. Under these circumstances, those who are interested in the movement are of the opinion that it would not be proper to expend your subscription for the purposes which you no longer desire to promote, and I therefore, return the amount of your subscription. Very truly yours,

Edward Stanwood.

Mr. Langshaw put this refusal to account for funds with the more or less badly concealed activities of the woolen and cotton people in Washington and in New England and replied to Mr. Stanwood: "The only interpretation which I can put on the refusal to give the information is that the money is used for purposes that will not bear the scrutiny of the public or of many of those who have contributed." At the same time he declared that in his judgment such a procedure was a capital offense against morals and democracy, and he ended his protest with this declaration: "If this country is to prove to the world that democracy is a success and that a government for and by the people is for the betterment of mankind, it is absolutely essential that the individual should have a full and free opportunity to express his opinions and work for their application with due regard to the law."

(Continued on page 14.)

Tariff Publications

Obtainable From the American Free Trade League.

Each Pamphlet mailed on receipt of 2-cent postage.

Free Trade Struggle in England (book,
10 cents).

M. M. Trumbull.

Address of Henry George on Free Trade. 1893.

The Panics of 1837 and 1857.

1896. Hon. John E. Russell.

The Success of Free Trade.

1897. Sir Robert Giffen.

Trust and Remedies.

1899. Franklin Pierce.

The Window-Glass Trust.

1899. Byron W. Holt.

The Borax Trust.

1899. Byron W. Holt.

The Iron-Ore Trust.

1899. Bolton Hall.

Steel and Wire.

1900. John DeWitt Warner.

The Salt Trust.

1900. Byron W. Holt.

Trust in Great Britain.

1900. Thomas Scanlon.

Ship-Subsidy Trust.

1900. John DeWitt Warner.

Some Chemical Trusts.

1900. Byron W. Holt.

The Lead Trust.

1900. George A. Macbeth.

Causes of Trusts.

1900. Thomas G. Shearman.

Pressing the Trust Question.

1900. David A. Wells.

Republican Opinion on Tariff Trusts.

1900.

The Plate-Glass Trust.

1901. Henry W. Lamb.

Warning Voices on Tariff Trusts.

1901. The Oregonian et al.

Reciprocity with Canada.

1901. Hon. John Charlton et al.

Protective Tariffs and Public Virtue.

1901. Franklin Pierce.

The Paper Trust.

1901. John Norris.

The Evils of Special Privileges.

1901. Dr. James H. Dillard.

Free Hides.

1901. William B. Rice.

The Need of Reciprocity.

1902. A. B. Farquhar.

Free Raw Materials.

1902. J. B. Sargent.

Fictitious Balance of Trade.

1902. Hazard Stevens.

Wages and Protection.

1902. Edward Atkinson.

Prices and Wages.

1902. Byron W. Holt.

Subsidies the Climax of Protective Superstition.

1902. Louis F. Post.

Trust-Breeding Protection, etc.

1902. Hon. Wm. H. Fleming, M.C.

Fidelity to Property.

1902. Prof. John Bascom.

To the American Farmer.

1902. Franklin Pierce.

Reciprocity vs. Protection Reciprocity.

1902. Hazard Stevens.

Free Trade and American Manufacturers.

1902. Henry Ware Allen.

The Miller's Evil Genius.

1902. William C. Edgar.

Reciprocity.

1903. Edward Atkinson.

Free Shoes and Free Hides.

1903. Charles H. Jones.

The Steel Trust.

1904. Byron W. Holt.

Protection and the Democratic Party.

1904. Louis R. Ehrich.

The Present Position of the Doctrine of Free Trade.

1905. Prof. F. W. Taussig.

The Fruits of American Protection.

1906. John A. Hobson.

Free Trade Broadside, Bound Volume, 17 numbers, \$2.

"The Tariff and the Farmer." By S. Payson Perry. Price, 25 cents.

"A Substitute for the Tariff Upon Imports." By John Bigelow. A pamphlet privately printed. A limited number for sale. Price, 25 cents.

"The Whole Hog Book." By J. W. Bengough. A Rendering into words of One Syllable of Henry George's "Protection or Free Trade?" Illustrated by the Author. Price, 15 cents.

"Tariff Teachers Cross-Examined." By George Brickett. Price, 10 cents.

WHO MAKES THE TARIFF

(Continued from page 13.)

That Mr. Langshaw had substantial ground for his conclusions that the money gathered was being used improperly, anyone familiar with the 1909 campaign of certain wool and cotton interests to prevent downward tariff revision, must be convinced. The insistent

reports of offers of money to journalists, either to publish what the wool and cotton clique wanted said or to suppress what they did not want said, the activity of the wool people in the matter of the second-class mail, these are all in line with Mr. Langshaw's experiences. So is the position the defenders of the wool schedule have openly taken in regard to

criticisms of their duties. They profess to believe these criticisms are purely commercial. "We would not like to unsettle a belief that is so useful in your business," is a comment I recently saw in a protesting letter from a woolen manufacturer to one of the ablest and fairest minded editorial writers we have in this country. The gentleman seemed unable to understand that ideas are not always shaped to suit the counting room. Many of the leading woolen manufacturers share this opinion. At a great meeting of the National Association of the American Woolen Manufacturers, held in Washington in February, the charge was made openly by Charles H. Harding, of Philadelphia, that the popular feeling against Schedule K was being worked up. "I know, personally," said Mr. Harding, "that we have been approached by two advertising concerns with the offer that if \$200,000 was forthcoming from manufacturers of wool, the agitation 'gainst Schedule K would be dropped, and the tables as fixed in the Payne-Aldrich tariff law would remain unchanged, in spite of what other revisions of the tariff law will be made in the near future."

Yielding to the inevitable, the American Woolen Company is now willing to have the tariff free list extended so as to include dik diks, koodoos, springboks, Great Kori bustards and hippopotami.

As long as there is a man out of work looking for a job with no vacancy open to him, just so long will all attempts to boost wages by law prove to be failures. No law can prevent a man out of work from underbidding the man at work. That is why the protective tariff can not raise wages and that is why a bounty would also prove to be a failure.

Let us suppose two manufacturers in the same line of business. One finds his profits raised considerably through the tariff. He feels that these high profits have been given him by the American people, not for his own use, but in trust to be paid in higher wages to his employees. Having conscientious scruples, he raises wages in his factory accordingly. When a man out of work comes along offering to take a job in his factory for less, he refuses to take him on.

His neighbor is not so easy. He finds his competitor is paying more than the market rate. It occurs to him that, not being a philanthropist, he can largely increase his trade by underselling the highwage payer. He does it and soon the philanthropic manufacturer will be confronted with the choice of reducing wages to the market level, running at a loss or shutting up shop. With the best intentions in the world, a protected manufacturer can not pay more than the market rate and stay in business. The tariff proves to be a fraud, as well as a robbery.—The Chancellor.

The American Wage Standard

BY CONGRESSMAN REDFIELD.

It is frequently urged that the high standard of American wages puts on the American manufacturer a heavy burden, and for this reason a high protective tariff is necessary to protect him from the product of pauper foreign labor. Students of political economy ought to be very grateful for the clear way in which Congressman Redfield of Brooklyn destroyed this argument in his speech of June 12th, by showing that the high standard of American wages means a high standard of American workmen and that the labor cost per unit of product is lower in American than anywhere else. The following are selections from that speech:

It needs only the statement to show that the important factor in labor cost is not the rate of wage, but the rate of output. It is not what you pay, but what you get for what you pay that counts.

Once, when my office was located in the city of Paris, I employed a lot of French carpenters and paid them 10 francs a day—\$1.90 cents each—and at the end of three or four days I was well-nigh crazy. Down the long aisle of the building I saw a familiar-looking tool box, with a saw sticking from the end, and I ran to the place and found a man who looked like an American carpenter? I said, "Are you a Yankee?" and he said, "Yes." I said, "I want to employ you now." He said, "Boss, I charge \$4.50 a day." I said, "Come right along." Two days later I discharged four Frenchmen, and my one American carpenter did more work than the four Frenchmen. And I saved money by the process. And if somebody wants to ask me the question, there are sound, sober, serious reasons why the American carpenter did as much work as four Frenchmen.

In employing a French carpenter, he goes to work having eaten almost nothing. For breakfast he has nothing more than a bit, a little bit, of bread, without butter, and coffee. At 11 o'clock he stops to eat a little bread and drink a little sour wine. That is all, all I ever saw any of them eat. At 3 o'clock he stops again to eat a little bread and drink a little sour wine. After he gets through at night he has what he calls a dinner. Such a man can never work at any labor requiring steady physical exertion continuously under pressure in competition with a man who eats three square meals a day.

I speak from some knowledge of

French factories, and also of German factories, but I would like my friends on the other side to explain the folly of the Englishman who once asked me to go into his factory and tell him how to cut down his labor cost. What a fool that Englishman must have been! Yet I might pause right here to tell what I found at that particular time in that English factory as another reason why they cannot compete with us.

The first machines I found in the factory I recommended be thrown into the scrap heap. That is characteristic. I went upstairs and found a screw machine making bolts of various sizes, and a boy running it at a very small wage, probably about 2 shillings a day.

I stood looking at the boy, and its product, first, twenty one-half inch bolts, and then twenty-five one-eighth inch bolts, and then fifty three-fourths of an inch bolts, and then five or six one-inch bolts, and then back to quarter inch. I went to the superintendent and said to him, "Mr. So-and-So, that boy is costing you more than a man who earns \$3 a day would in one of our shops." He said, "Why?" I said, "Twenty-five per cent. of his time is used in altering tools. He is 'breaking up,' as we say, altering his machine from time to time and stopping his processes 10 to 15 times a day." He said, "What would you do?" I said, "Give him one size and let him run all day on that." The next morning give him another size and let him run all day on that, and the next morning give him another size; do not stop your machines, but run them steadily on one size." "Why," he said, "Mr. Redfield, we cannot get foremen to think that out."

I have just stated in the matter of labor cost the serious element is not the rate of wages, but the rate of output. For example, in competing with a Swedish concern at one time it was inquired how it was practicable so to do.

I said, "How much does he produce?" "Four hundred a day." I said, "Our output is twenty-eight hundred a day." One of the things I would like to burn into your thought is this—the essentially variable quality of cost. It cannot be talked about as a fixed thing. Cost is everywhere and always variable, at every time and in every place.

Output varies with the character of the workmen, the equipment, its arrangement, or other local conditions, with the nature of the superintendence, with the discipline, and so forth. It is

absurd to assume that work done by a man paid \$4 daily costs more per annum than work done by a man paid \$2 daily. It may be more or less costly, and depends upon other conditions. Therefore, because certain goods are produced at a certain labor cost per unit when the wage rate is \$3 per day in a certain place, it can never be argued that the same wage rate on similar goods results in a like labor cost per unit in another place. It may vary from 10 to 50 per cent. To discuss the wage rate as the controlling factor in labor cost per unit is both inadequate and misleading. The railroads are a very notable example of this. The English railways have vastly cheaper labor than we, but their freight charge per ton-mile is two and one-half times ours. With pride the Indian railway department told this last winter that, though their labor is one-eighth of ours in cost per day, they had succeeded in getting down to a trifle lower freight cost per ton-mile than we. They had been years at it, with labor one-eighth of ours, and had just succeeded.

I have in my hand a letter from my own representative in Rangoon, saying, "Figure on an apparatus using native labor cheap but bad." To say a man gets \$3 per day means nothing at all as to the cost of his product. It may be either low or high, and the wage rate taken by itself alone affords no basis of comparison. Apart from the wage rate, labor cost per unit is very largely under the control of the manufacturer and may be radically altered without changing the wage rate.

The cost of superintendence is apt to be heavy in proportion as the labor is cheap. I was very much interested in what the gentleman from Connecticut (Mr. Hill) said about the jute mills in Calcutta in his recent address, because only eight weeks ago I was in those jute mills talking with the superintendent. I find it a very excellent plan, if you wish to get at the details of a factory, to avoid the owner. Get at the practical superintendent and you will learn more in an hour than you will from the owner in three weeks. I asked this gentleman in this large jute mill about the question of his labor. He said it was cheap, very cheap. I said, "Is it wasteful?" He answered, "Extremely wasteful." I asked him in what other respect it was bad, and he said it was bad in the respect that it required an unusual amount of European superin-

tendence—three to four times as much as they would give in Scotland.

When a tariff bill was pending some years ago, a representative of a crucible-steel works in Pittsburgh came into my office and said, "I have a petition I would like to have you sign." I said, "What is it?" He replied, "It is a petition to have the duty upon our product advanced." I asked him why. I ought, perhaps, to explain that manufacturers have talked very freely to me for many years, assuming, as a matter of course, that I agreed with them in their particular views, and this man went on to say in answer to my question as to why they wanted this additional duty: "We have got to keep the standard of American living; we have got to hold up the American rate of wages and see that our American working people live on a basis far better than the pauper labor of Europe." I said, "That is very interesting. How much of the proposed increase do you propose to add to your pay roll?" He said that they had not yet given it serious consideration. I asked him if he would add any portion of this increased duty to the pay roll, and he replied that they had not got to that yet. I said to him, "I have already signed a petition to have our duty reduced, but if you will enter into a contract with me here and now that within a year after the duty is increased you will add any percentage to your pay roll, then I will recall my petition and sign yours and publish the facts." He said, "You could not expect me to do that." I said to him, "Now, Mr. So-and-So,—I knew him very well—I said, 'Now Mr. So-and-So, you are paying 10 per cent. are you not?'" He said he was. I then asked him if his desire was not simply to pay a little better than 10 per cent. He said, "Well, Mr. Redfield, you know how these things go."

Now that scientific manufacturing as a profession has begun and is growing, the fact is found that we can and often do produce as cheaply here as abroad, not despite of, but because of, the higher rates of wages here, which are but a partial measurement of the higher efficiency and character of the American workman and of the fine equipment put at his disposal.

Magnus W. Alexander of the General Electric Company has given to the Twentieth Century Club of Boston the results of his investigations into the "living wage" in Massachusetts. He showed that the averages in various industries range from \$15.28 down to about \$9 weekly, the lowest wage being in the textile industries. The textile are among the most highly protected industries, and yet it is shown they pay the lowest wages. Does protection protect the working man?

trust magnates pretend to be working in the interests of their employees, and urge that we must have protection to keep wages up. If it were not a vitally serious matter, it would be extremely ludicrous to see high wages urged by those men, who never raise wages a cent unless forced to by their organized employees.

The very source of this argument ought to be enough to make us suspicious of it, but let us follow out our suspicions by logically dissecting the argument itself. Suppose that free trade does reduce the amount of money paid in wages; it is also certain to reduce prices to at least the same extent, and therefore the purchasing power of the wages will remain the same. In addition, business will be increased, which will result in more opportunities for employment. But we do not admit that free trade would reduce wages. Protection does not increase wages; it merely increases the ability to pay wages, in the hands of those who would much rather put the money in their own pockets than pay it to their employees.

If we are going to tax the people at large in order to increase the wages of a few, let us do it by the bounty system, which at least will be square and in the open. The only trouble is that the American people would not stand for it. The employers themselves would not stand for it, which proves that they are not sincerely interested in the men, but merely wish to use the men as a cat's-paw to fill their own pockets.

EDITORIALS

(Continued from page 4.)

SCIENTIFIC MANAGEMENT.

The basic idea of the modern economic theory of "The New Efficiency" seems to be that no company has a right to charge the public for the losses due to its own poor management. This is an application to the tariff question as well as to the question of railroad rates.

When a railroad begins to run behind, the natural step by its managers is to raise rates. But the doctrine of "The New Efficiency" steps in and objects. The company must first try and save the money by better management, before it increases the burden of the traveling public.

When the tariff-fostered industries begin to run behind, the natural step by its managers is to ask an increase in the tariff duties. As an alternative, they threaten to reduce wages. And now the application of the doctrine of "The New Efficiency," as made by Representative Redfield of Brooklyn, steps in and objects.

High wages are not necessarily a burden to the manufacturer. In many instances it has been found that the increase of the labor cost per man has resulted in the decrease of the labor cost per unit of finished product. Therefore the laborer should not be made to suffer.

Neither should the public be made to suffer. Every useful industry is naturally prosperous. If an industry fails to prosper, the reason is either that there is no need for that industry, or else that it is being poorly managed. Let us apply the doctrine of "The New Efficiency" to the tariff trusts, rather than have them shift on to us the products of their own carelessness.

DO IT NOW!

HELP THE FREE AMERICAN TRADE!

JOIN THE LEAGUE!

Republican orators can point with pride, however, to the fact that Congress restored canary seed to the free list. Until 1907 it came in free, although hemp, millet and rape, used for the same purpose, were on the free list, but the genuine canary seed was put on the 30 per cent. schedule. In putting this back on the free list, however, Congress sacrificed a revenue of \$25,000 a year, but there was no home-grown article to protect.

"We offered the Canadian Commissioners absolute free trade," said President Taft at a press dinner in New York recently; "absolute free trade in all products of either country, manufactured or natural, but the Canadian Commissioners did not feel justified in going so far." Here is information for Canadian producers and consumers. Why does their government refuse them the benefits of free trade with our producers and consumers? What interests up there is their government protecting?

Free Trade Broadside

VOL. 3

OCTOBER, 1911.

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LOUIS R. EHRICH, President
ROGER SHERMAN HOAR, Sec'y.
JOHN RITCHIE, Treasurer.
WHITFIELD TUCK, Asst. Sec'y.

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Taft's Three Vetoes

We reprint from The Protectionist the three tariff reform bills vetoed at the instigation of the Home Market Club by President Taft.

CHIEF ITEMS OF FREE LIST BILL.

The chief items of the free list bill are ploughs, harvesters, reapers and all other agricultural implements; bagging for cotton; hoop or band iron; wire for baling hay, straw, etc.; sole leather and leather belting; boots and shoes; barbed fence wire; meats of all kinds; corn meal, wheat flour, rye flour, and all prepared cereal foods; biscuits, bread and wafers; timber, shingles, laths, fencing posts, sawed boards and other lumber, rough or dressed, and sewing machines.

THE COMPROMISE WOOL BILL.

ARTICLE	Present rate	Approx. ad valorem per cent	Underwood Bill per cent	La Follette- Underwood Comp. per cent
Wool	11c lb.	41.73	20	29
Rags, Noils, Shoddy and Waste	30c lb.	98 to 150	20	29
Combed Wool or tops	24¾c lb. plus 30% to 36¾c lb. plus 30%	111	25	32
Yarns	27½c lb. plus 35% to 38½c lb. plus 40%	134 to 76	30	35
Cloths	33c lb. plus 50%	96.74	40	49
Blankets	22c lb. plus 30%	66 to 94	30	38
Blankets over 70c lb.	44c lb. plus 55%	102	30	38
Flannels	22c lb. plus 30%	91	30	38
Dress Goods	7c yd. plus 50%	103	45	49
Ready-Made Clothing	44c lb. plus 60%	75	45	49
Carpets (Axminster)	60c sq. yd. plus 40%	74	40	50
Brussels Carpets	44c yd. plus 40%	73	30	40
Oriental Rugs	90c sq. yd. plus 40%	62	50	50
Manufactures of hair of camel, goat and alpaca	Same as manufactures of wool of like character		30	49

* Ad valorem for year ending June 30, 1909.

THE UNDERWOOD COTTON BILL.

ARTICLE	Present rate	Ad. valorem equival. per cent	Underwood Bill per cent
Cotton thread and yarn not colored, bleached or dyed, up to 50 numbers. .	2½c to 8c lb.	15 to 23	10
50 to 100	10½c to 16 c lb.	24	15
100 up	22c lb.	27	20
Spool Thread	6c doz. spools	34	15
Cloth, not bleached, not exceeding 50 threads per sq. in.	1¼c sq. yd.	20	15
Exceeding 50, (av. value, 6c)	1¼c sq. yd.	20	20
Exceeding 100 (av. value, 8c)	1½c sq. yd.	20	25
Cotton Cloth, not bleached, not ex- ceeding 50	1¼c sq. yd.	20	20
(value 6 to 8c) 50 to 100	1½c sq. yd.	18	25
(av. value, 6c) exceeding 100	2¼c sq. yd.	28	30
(av. value, 9c)			
Cotton Stripes, Oil cloths, Hollands (average value, 13c)	3c per sq. yd. plus 20%	42	25
Handkerchiefs	45%	45	30
Stockings n. o. p.	30%	30	20
Stockings, valued at not more than \$1 a dozen	70c doz. plus 15%	90	40
Cotton Gloves	50c doz. plus 40%	77	35
Cotton Underwear	60c doz. plus 15%	56	30
Table Damask	40%	40	25
Laces and Edgings	70%	70	30

Letters to the Press

BRYAN'S QUESTIONS.

(Key No. #10.)

Hon. William Jennings Bryan, through his organ, The Commoner, has submitted a set of nineteen questions to be answered by all candidates for the Democratic nomination for President. These questions are pertinent, representing concisely the leading political issues of the day. The asking of them is not impertinent, for we have a right to know where our candidates stand. But the application of these questions should not have been so limited. Every politician of any size, every political organization, ought to be put on record.

The following is an attempt to answer the first three questions from the point of view of Free Trade:

Question.—Do you favor tariff for revenue only?

Answer.—No. A tariff for revenue is merely diluted protection. It is the mask behind which protection hides when the people have learned to recognize and fear its proper face. As a system of taxation it is wasteful, for the consumers are forced to pay many times the sum that eventually reaches the national coffers. A tariff for revenue, with its incidental protection, confiscates the property of the tax-payers for private purposes. The tariff is a tax which is not distributed in proportion to the ability to pay.

For the further amplification of our answer, see articles in the last Broadside, at pages 2, 5, and 7.

Q.—Do you favor free raw material and the placing of a revenue duty only on manufactured goods?

A.—As explained above, we are opposed to a revenue tariff. We favor free raw materials for the same reason that we favor Canadian Reciprocity, namely because it is a step toward Free Trade.

Place raw materials on the free list, and the producers of raw material, deprived of their protection, will demand free trade for the finished product, of which they are consumers.

See, in this connection, Oldfield's Catechism in this number of the Broadside, questions 24 and 28.

Q.—Do you believe that in the revision of the tariff the element of protection should be given consideration?

A.—Yes. Certainly. Our Senators and Representatives should remember that this element of protection is always present in the tariff and cannot be eradicated. The only way to root out the special privilege of protection is to remove the tariff from politics. The only way to remove the tariff from politics is to remove it from our fiscal system.

We hope that The Commoner will print these answers. They may assist others in answering.

ROGER SHERMAN HOAR.

TARIFF RESTRAINT OF TRADE.

Our daily literary food in the newspapers has consisted largely, for many months, of interesting accounts of the investigations and prosecutions of some of the Trusts. In the cases that have been decided the combinations have been ordered to dissolve, and the directors are threatened with criminal prosecutions for breaking the Sherman law.

The public seems to think that something is being done that will benefit it—on the principle, I suppose, that what is bad for the industrial combinations must be good for the people. But the high prices of commodities complained of by the people will not be abolished by destroying the Trusts. The consumers will gain nothing.

There are a number of Trusts in free-trade England. Some of them were formed thirty years ago. But foreign competition has kept the prices of their commodities low. The shareholders have benefited by the reduction of costs arising from combinations; and the public has had nothing to complain of.

It would have been the same here had

not Congress enacted some of the highest tariffs the world has ever seen. The prime object of the tariffs has been to raise the prices of American manufactured goods above the prices of the open market.

A striking instance of the way in which the interests of the consumer have been ignored in framing tariff rates was given by a manufacturer, at the beginning of last year, before the committee of which Mr. Payne was chairman. The manufacturer asked to have the tariff increased. In cross-examination he admitted that he sold his articles here at \$22 each and in foreign countries at \$7.50 each. "Then why do you ask for more protection?" asked Mr. Payne. Answer: "In order that I may make more money."

I think that Congress by its tariffs has done more in "restraint of trade" than any combination of factories could do, and has caused the consumers to pay annual taxes to manufacturers that exceed the whole revenue collected by the government.

E. A. LUPTON.

A Few Tariff Facts

BY HON. CHARLES HAMLIN.

(Key No. #57.)

Many American manufacturing concerns sell their products abroad at prices far below those charged our own people, and in some notable instances our domestic products can be bought abroad and reimported at a lower net price than our domestic manufacturers charge us at home. While all of the increase of prices can not be charged to the Tariff, yet a material part of the increase is rightly chargeable to it.

As a result, people with fixed incomes or on a salary have suffered heavy burdens, and are now groaning under the weight of unjust taxation.

The practice of selling abroad cheaper than at home has brought about the curious result that to obtain the benefit of the low prices which protectionists said would result from high taxes one would have to go abroad and denationalize himself. Then and then only would he obtain the low prices cheerfully accorded by our domestic producers to foreigners and denied to ourselves.

Some two years ago I made an interesting test to discover the truth of the charge made that protected manufacturers were selling their products to foreigners cheaper than to ourselves. I took some twenty-five different articles

used by farmers and sent a letter to a domestic manufacturer describing the article and asking for his lowest cash price delivered on board the cars. I then had another letter sent from Canada to the same manufacturer asking the prices of the same articles delivered on the cars. The result was surprising. I found that the same manufacturer offered to sell the same articles in Canada at prices very much less than he charged the American purchaser.

For example, the price of a harrow was \$20 to the Canadian and \$24 to myself, an increase of 20 per cent.; the price of a barrel churn was \$7 to the Canadian, and \$8.50 to myself, an advance of 21 per cent.; the price of a plow was \$6.30 to the Canadian and \$8.10 to myself, an advance of 28 per cent.; the price of a double wheel hoe to the Canadian was \$6.75, to myself \$9.50, an advance of 40 per cent.

Thus when a farmer in the United States pays \$8.50 for a churn he receives only seven dollars' worth of churn, and the remaining dollar and a half is a tax paid to the protected manufacturer. This is shown by the fact that this manufacturer will gladly sell this churn for \$7 to all the world, excepting only American protected consumers.

Oldfield's Catechism

An interesting dialogue recently took place between Congressman W. A. Oldfield of Arkansas, and one of his constituents. Fortunately this dialogue was preserved by Mr. Oldfield's facile pen, and is now given here in part, with only such changes as serve to make it non-partisan. For convenience of reference, the questions have been numbered.

Question—I am somewhat confused as to what is meant by the phrase, "raw materials," can you explain it to me?

Answer—Yes. Raw materials are those materials which are in their lowest and crudest form when they enter commerce.

2.—Can you name some things which are raw materials?

A.—Yes. Cotton, wool, lumber, coal, iron ore and so forth are raw materials.

3.—What do you mean by free raw materials?

A.—I mean that the raw materials such as I have just named, are free when they are imported into this country from a foreign country free of any tariff tax.

4.—What do you mean by the terms tariff tax or customs duty?

A.—A tariff tax or customs duty is a charge which is paid at any customs house for the privilege of bringing a particular article into this country from a foreign country.

5.—Does this tariff tax enhance the price of the article to the consumer?

A.—Yes.

6.—Will you give me an illustration?

A.—Yes. If a foreign hat merchant has a particular kind of hat which he can afford to sell for two dollars and he brings that hat to this country to sell, and if he were not compelled to pay a tariff tax he could sell it for just a little more than two dollars, say two dollars and a quarter, but, if he is compelled to pay a tariff tax of one dollar on the hat, then, he must sell the hat for more than three dollars.

7.—Can you give me any particular instance, expressing opposition to free raw materials?

A.—Yes. John Sherman, in his book entitled, "Forty Years in the House, Senate and Cabinet," says, "The dogma of some manufacturers, that raw materials should be admitted free of duty is far more dangerous to the protective policy than the opposition of free traders; a denial of protection on coal, iron, wool and other so-called raw materials will lead to the denial of protection to machinery, to textiles, to pottery, and other industries.

8.—What has Mr. Aldrich said on this subject?

A.—In 1909, when the Payne-Aldrich tariff bill was under discussion in the senate, Mr. Aldrich said he knew of no republicans and no protectionists who were in favor of the doctrine of free raw materials.

9.—I have read where some democrats have recently said that they believe in a small revenue duty on everything. Also, if we must have a tax on the finished product, then, the people who produce the raw materials should have the benefit of a tariff. How about this doctrine?

A.—I would say, beware of this doctrine.

10.—Why?

A.—Because this sort of doctrine leads you to the conclusion that tariff taxes are not burdens, but benefits.

11.—How is that?

A.—The theory is, that tariff taxes should be so laid that there shall be both equal burdens and equal benefits, although it does not work out that way, and in the very nature of things, can not work out that way.

12.—Now, what is the opposing doctrine on this proposition?

A.—That doctrine is, that all taxes are burdens and are therefore evils; that the power to tax is the power to destroy.

13.—Do the men holding this theory believe that tariff taxes take money out of the pockets of the people?

A.—Yes.

14.—What do the protectionists teach that tariff taxes do for the people?

A.—They say that "tariff taxes are not burdens," but they are good things and help the people.

15.—Do not the protectionists teach that all taxes are burdens?

A.—No. They say that the more the people are taxed the richer the people become.

16.—I have read where some democrats in congress say that they do not believe in a free list, but that everything should be taxed a little.

A.—If you will converse with those same democrats for a little while you will discover that this is only a veil they use in hiding their real motives, and when you hear a democrat say he believes in a little tariff on all articles you may put it down that he is a protectionist and is more anxious to secure a high duty on something produced in his own district or state. In other words, he has herrings on the brain.

17.—What do you mean by the last part of your answer saying he has herrings on the brain? What do herrings have to do with this question?

A.—Didn't you ever hear of the letter

the Englishman wrote Sir Robert Peel when he was trying to destroy the protective system in Great Britain, back in 1842, asking him not to repeal the tariff on herrings?

18.—No. Won't you please tell me about it?

A.—Well, Sir Robert Peel was the leader in the House of Commons in 1842, in the fight to reduce taxes in Great Britain, and while delivering a speech in the House of Commons he read this letter from one of his constituents which is quite similar to letters which are being received by representatives and senators in congress now. Here is the letter: "I am a free trader in every other respect, but with respect to herrings I caution you against applying the general rule to them."

19.—Why are the sentiments contained in that letter similar to the views held by representatives and senators who want a little tariff on everything?

A.—Because, while they are free traders in the products raised in other members' districts, they know they can not get the protection they desire on the products produced in their own districts, unless they concede a little protection to articles produced in the districts and states of other representatives and senators.

20.—Oh. I see. But back to wool. Did you say wool is a raw material?

A.—Yes.

21.—The woolen manufacturer is in favor of free or untaxed wool, is he not, since he would then get his raw material cheaper?

A.—The woolen manufacturer is not in favor of free wool, for the reason, that if there is a duty on raw wool, then the manufacturer is invariably compensated by having the duty on his finished products increased to the extent of covering all of the tax or duty he has to pay on his wool. Hence, the duty on the wool does not cost him anything, as he just charges it to the consumer who has to pay all of the duty on the raw wool and also the duty on the finished product of the manufacturer, together with interest and profits added.

22.—Is there any other reason why the manufacturer of woolen clothing does not want free wool?

A.—Yes. They want the co-operation and help and influence of the wool growers of the country to assist them in passing the kind of tariff legislation they want.

23.—You don't mean to say that the woolen manufacturers and the wool growers together have so much influence over the people's representatives and

senators at Washington that they can write the kind of wool and woolen bill in Congress they want, do you?

A.—President Taft stated, after the Payne-Aldrich bill became a law that the influence of the wool growers and the woolen manufacturers prevented the republican party from revising the wool schedule downward, as should have been done.

24.—Well, how would free wool help in the matter of tariff reform?

A.—If wool were placed on the list free of duty, then the producers of wool would demand that the duty on manufactured woolen goods be reduced to a revenue basis, and eventually, the finished woolen goods would also go on the free list.

25.—I see. You would divorce the interests of the woolen manufacturers and the wool growers.

A.—Exactly. When protectionists fall out, honest people get their dues.

26.—Can you illustrate this more fully?

A.—Yes. As soon as the Canadian reciprocity bill becomes a law, the farmers who have had the duty removed from their hogs, cattle, corn, wheat, oats, and so forth, are going to help take the tariff off the manufactured articles.

27.—Will you explain this more in detail?

A.—Yes. When the tariff is taken off of wheat, then, the wheat grower will be ready to help take the tariff off of flour. When the tariff is removed from the farmer's hogs and cattle he will be ready to help remove the tariff from pork and beef. When the tariff is taken off of wool, then the wool grower will be ready and anxious to take the tariff off of woolen cloth and woolen blankets and woolen fabrics.

28.—Well, now I see that a tax on wool helps the wool grower and also helps the woolen manufacturer, but, whom do these duties hurt?

A.—Every man, woman and child in the United States who buys woolen clothing, woolen blankets, and woolen fabrics for protection from the winter's cold.

29.—How much did the wool growers and the woolen manufacturers get of the people's money last year, owing to the high tariff on wool and woolens?

A.—About four hundred million dollars.

30.—How much did the woolen manufacturers get of this amount?

A.—They got about three hundred and seventy million dollars, and the wool growers got the balance.

31.—Do you believe that all raw materials of manufacturers should be placed on the free list?

A.—Yes.

32.—Why?

A.—Because the people would get the finished product cheaper.

33.—Is it true, as I have heard some people state, that the consumers would not get the finished article any cheaper if the raw material were placed on the free list?

A.—Well, I believe I can prove by such protectionists as Sereno E. Payne, Thomas B. Reed, and John Dalzell, that the consumers would get the finished products cheaper if raw materials were placed on the free list.

34.—Well, I would like to have the proof.

A.—When the Wilson tariff bill was under consideration in Congress, Sereno E. Payne, John Dalzell, Julius C. Burrows, Thomas B. Reed, Albert J. Hopkins and John H. Gear signed a minority report on the bill. In this report they used this language: "If he (the manufacturer) can make his goods any cheaper because of free wool, he must sell them just as much cheaper."

35.—Well, well, these big protectionists admitted that free wool was right from the consumer's standpoint, didn't they?

A.—They did.

36.—How many woolen manufacturing establishments, are there in this country?

A.—In 1905 there were only 1,213 such establishments.

37.—How many sheep raisers are there in the country?

A.—That is a difficult question to answer. There are probably only a few thousand who are exclusively in the wool growing business.

38.—Then, this tariff on wool is placed on a necessary of life to help a comparatively few sheep owners?

The remainder of the catechism is taken up with a discussion of another means of revenue than the tariff, and with the adjustment of the tariff on a purely revenue basis in the meantime. In another article in this number, we point to the danger of a revenue tariff.

(Cross references from Key Numbers to Question Numbers: #10=Q16-19; ##29 & 31=Q11; #54=Q23; #56=Q5 & 6; #67=Q1-4, & 7-9.)

A TARIFF FORMULA.

(Key Number ##21, 24.)

To accomplish a given result in production, a certain amount of capital and labor must be expended. Let us invent an imaginary unit by which to measure such expenditure. Then we shall see that the margin of profit in the production of any article is proportional to the number of units required of the producer of the article to produce the price of the article, minus the number of units required of the producer of the article to

produce the article itself. If more expenditure of labor and capital would be required to produce the price than is required to produce the article, then the producer is sure of a profit, and no artificial boosting of the price by a high tariff restriction of competing imports is necessary. On the other hand if more expenditure is required to produce the article, labor and capital would be better employed in producing the price; and a tariff that by increasing the price would give labor and capital employment in producing the article, would put them in no better position as earners, and would leave them and everyone else much worse off as consumers.

Just a few figures to make this principle more clear. Suppose that 80 units of labor and capital are required to produce a certain article (A), and that 100 units of the same labor and capital employed in other lines of work would be required to produce enough to pay the market price for this article. The result is a saving of 20 units if article A is manufactured. This is equivalent to a profit of 20/80, or 25 per cent.

Now let us suppose another article (B), with respect to which the conditions are just reversed. This signifies that article B can be BOUGHT ELSEWHERE 20 per cent. cheaper than it can be MADE HERE. How shall we meet this condition? There are two alternatives open to us: Either to give up all thought of manufacturing article B, and turn our energies to more profitable pursuits, such as article A; or to put a 56 per cent. import duty on the foreign competitors of article B, thus increasing the value of its price from 80 units to 125 units. Its cost of production still remaining at 100 units, article B may now be made at a 25 per cent. profit. But what good shall we have accomplished? We shall have diverted labor and capital from one naturally paying industry into one artificially made paying; no improvement there. And we shall have added 56 per cent. to the cost of article B to all us consumers, a positive loss.

If we wish our labor and capital to be employed to advantage without increasing the cost of living, we will employ them in industries that are shown by the above formula to be naturally profitable.

That a disastrous effect should be produced upon national morals by the closed frontier is an inevitable result. Those who violate the tariff laws and border regulations gradually become accustomed to violate all other laws, written and unwritten.—War and Labour, by Michael Anitchkow.

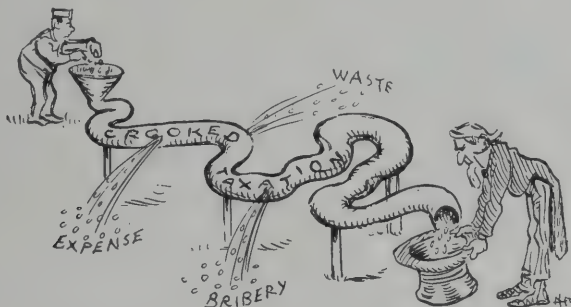
A Tariff Argument for Debaters

ILLUSTRATED BY J. W. BENGOUGH.

Part II (Continued).
Revenue Tariff Indefensible.

#8.

It is likewise a bad policy to levy a tax that is so indirect that the tax-payers do not realize to what extent they are tax-payers and to what consequent extent the burdens of governmental extravagance will weigh on them individually if they vote to permit such extravagance. Tariff for revenue is the most flagrant example of just such an indirect tax. So indirect is it, that thousands of voters are misled into believing that "the foreigner pays the tax," whereas in reality it is paid by the voters themselves, as consumers. Trusting in this sophism about the foreigner, these voters vote for increased extravagance and increased taxation, thus piling burdens on themselves, under the mistaken idea that they themselves will not have to bear them. Thus the revenue tariff, by its indirection, decreases the responsibility of the electorate.



#9.

Also its indirection makes just apportionment impossible, since the exact places where this tax hits are obscured. It is perfectly natural that the citizens, believing that "the foreigner pays the tax," should not attempt to apportion the tax among themselves, who really bear it. A poor man drinks as much tea as a rich one, and has to pay out of his small wage as great a tariff tax as the rich one out his great wealth. The scheme is a shrewd one, no doubt of that. If, when a man went to the shop to buy tea, he first paid the true price of it and then was made to plank down the tax in addition, there would be a nice row; for he would want to know why the tax was so large and what became of the tax money. But as it is, he does not see the tax, it being obscured in the price which he pays. This explains why the tariff weighs so heavily on the consumer and why no attempt is made to equalize the burden.

#10.

So far, in this discussion, we have seen

the evils and absurdities of a tariff sincerely levied as a source of revenue. But the revenue tariff is not sincere; which insincerity is its worst evil. A revenue tariff is merely diluted protection.

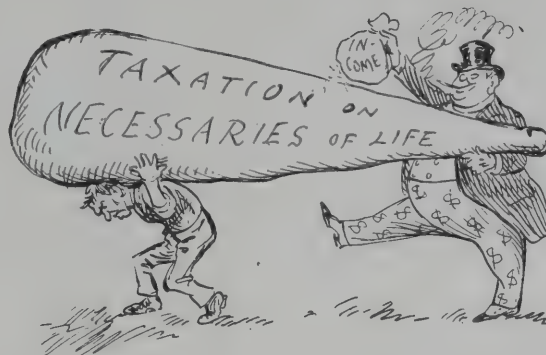
A tariff framed ostensibly for revenue purposes, is in reality a mask for protection. Let us suppose that the people win a great victory, overthrow the false gods of the Home Market Club, and retain the tariff solely as a source

of revenue. But the protectionists laugh up their sleeve, and invoke the doctrine of "incidental protection," which doctrine says that, since we are going to have a tariff anyhow, and since any tariff is sure to have some restricting effect on commerce, therefore we had better put these incidental restrictions where they will do the most good, i. e., to the protected interests. And so, under this insidious doctrine of "incidental protection," a tariff for revenue presents all of the obnoxious features that are presented by out-and-out protection. And the public are not so watchfully on their guard.

Later, in this argument, when the evils of the restrictive high tariff are being discussed, please remember that these evils also apply, though in a slightly lesser degree, to a tariff for revenue.

#11.

Not only does incidental restriction continue under tariff for revenue, but so long as any tariff remains, the opportunity is always open for a transi-



tion back into the highest of oppressive tariffs. The public are beneath the sword of Damocles.

All of the evils of business instability, which exist under a high tariff, are present also with a revenue tariff. Business stability, based on a total absence of tariff tinkering, can never eventuate until we have a total absence of tariff with which to tinker. And a total absence of tariff is free trade.

#12.

But, without a tariff, how shall we raise our revenues? That is a question that may be answered in a number of ways. Some economists favor the income-tax, under which each taxpayer will return to society a proportionate part of what society gives him; some favor the single-tax, under which the government collects the unearned increment on land; and some favor other schemes of more or less merit. The following bit of statistics will serve to show the existing possibilities of revenue. The Republican platform of 1908 stated the wealth of our country to be \$110,000,000,000.00 and United States statistics confirm this statement. A direct tax of a little over one-quarter of one per cent. on that wealth would produce \$301,000,000.00, which is the amount raised in 1909 by duties on imports. Anyhow, it is inconceivable that a human intellect, after proving to itself that the tariff is the worst possible form of taxation, should still cling to that form through want of finding something better. Anything is better than the worst.



Part III.

Protective Tariff Indefensible.

#13.

We now turn to the protective phase of the tariff. A tariff for protection is based on the principle that a high tax on imports will keep out from this country competing goods that are made more cheaply abroad. By increasing the price of foreign goods, it enables the domestic manufacturer to increase the price of his goods, too. The way that this works was shown earlier in this argument. This operation is supposed to produce certain results, some beneficial and some evil. Let us first consider the supposed benefits.

#14.

We have just seen what constitutes the principle of the tariff. The ostensible purpose of invoking this principle is to protect, to protect those that work. This word "protection" is a catch-phrase. The thought of "protecting" something that we cherish, such as our industries and our working men, sounds so noble that we are apt to be blinded to the true situation. In the cause of clear thinking, we shall hereafter refer to the so-called protection as the "restrictive high tariff," whenever possible.



#15.

Why protect the working men? What they need is fair play, not protection. They need better industrial conditions; they need to have the American dollar given the purchasing power of one hundred cents, and to have the markets of the world opened to them, so that they may spend their wages where things are cheapest. For nothing is too good for the American workers. It will not do to deprive them of these rights, and then try to soothe them by offering to "protect" them.

There are just three classes of men in the world: workers, pensioners and loafers; you can name no other class. Worthy pensioners ought to be protected; but workers don't need protection, and loafers don't deserve it. And what class is there to protect the workers, even if they should need protection? The truth of the situation is, that the protective tariff makes the workers pro-



tect the loafers. Thus the tariff enables one man to get without earning, what another man earns without getting.

While discussing the working man, let us consider the American wage standard and see whether or not it justifies a high tariff. There are two points at which the consideration of the wage standard enters into the discussion of the tariff. Protectionists assert that the tariff is necessary to maintain a high standard of wages, and that the present high standard of wages is a burden on the employer which entitles him to protection.

#16.

As to the first, the tariff does not maintain high wages. Wages are fixed by the laws of supply and demand, and by the labor unions. Employers will pay the lowest wages that they can, tariff or no tariff. No law can prevent a man out of work from underbidding the man at work, and no manufacturer, whether protected or not, can pay more than the market rate for wages without being run out of business by a competitor.

Let us regard the workers in any one industry as symbolically arranged in the shape of a pyramid, with the many wage-earners at the base, grading up to the few proprietors at the apex. Now, there are two theories as to how to increase the wages of these workers. The first theory is to levy a high tariff tax on all the workers by increasing the price of everything they use, then to place the proceeds of this tax in the hands of those at the top, and then to trust to luck and charity that some of this money will trickle down through and benefit those below. Thus, at the best, the tariff merely increases the ability to pay wages; it cannot com-

pel the payment. The other way is more direct: take the tax off what the workers buy and thus increase the purchasing power of their wages.

#17.

For we must remember that the value of wages is measured, not by the number of dollars paid, but by what those dollars will buy. The tariff is not at all likely to increase the number of dollars that one gets, whereas it is certain to decrease the purchasing power of those dollars.

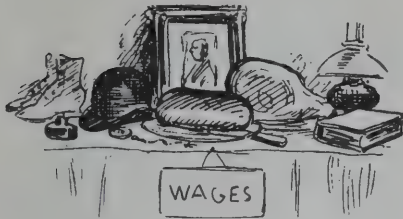
#18.

Protectionists ask why it is that high wages are coincident with a high tariff unless it is true that the tariff causes them. The answer is that high wages are not coincident with a high tariff. We have just seen that the tariff cannot cause either high money wages or high wage value. Now we shall see this substantiated by statistics. The histories of most of our industries will show that the highest wages have been paid in the times of the lowest tariffs. The census shows that at any one time the highest wages here are paid in the unprotected lines of work. Although it is true that wages, measured in money, are higher here than in free trade England, yet the difference between the two countries has been greater in the times of our lower tariffs, and it is not true that at any time the wages have been higher in the industries which we protect than in the corresponding industries of England. Then, too, we must remember that, because of our tariff, each dollar of our wages is worth less in purchasing power than a dollar in England. Wages which actually are higher in this country than abroad, owe their size to the fact that the services of an American workman are actually worth more than the services of a foreigner. Then, too, look at the low wages of high tariff Germany.

#19.

Thus we see that the tariff does not maintain a high standard of wages. Neither is a high standard of wages a burden on the American employer which





entitles him to protection. Even granting that the wage standard of America is higher than that of Europe, we should remember that the wage cost to the employer is measured by the cost per unit of production, and not by the cost per unit of labor. For example, a four-dollar-a-day man may turn out more than twice as much work as a two-dollar-a-day man, and so be less expensive to his employer. One reason that our goods can compete all over the world with the productions of "pauper labor" is that American labor, though higher paid per unit of labor, is less expensive per unit of production. A high wage, as a rule, signifies a low cost of the goods made, since the high wage is paid because of the brains and skill of the men who do the work. Also, where men get high pay they live well, and where they live well they do the best work. So we see that high wages are both a sign and a cause of a low labor cost.

Thus the only point about wages that we need to consider in connection with the tariff, is that the tariff decreases the purchasing power of wages, hence practically decreasing wages.

Having disposed of the supposed purpose of the tariff (i. e., to protect), together with the incidental question of wages, let us now turn to the means by which the tariff is expected to accomplish this purpose. The restrictive high tariff is expected to encourage new lines of industry and to support old, thus making the country the producer of all that it consumes and hence independent of other nations; to make more work for our people; to establish a "home market," thus keeping our money in our own country; and, by selling abroad and buying at home, to secure a favorable balance of trade. Let us consider each of these points in turn.

#20.

If establishing new, and maintaining old lines of industry by artificial stimulation is a good object, the tariff is certainly not the best way to accomplish this. It is too indirect, as we shall see in a moment under the discussion of the difficulty of administration. It hurts more than it helps, which point also will be discussed later under the evils of the tariff. If artificial stimulation is a good object, it should be ac-

complished by means of a bounty, after the same manner as a ship-subsidy, so that the people would realize just how much they were being taxed for this purpose, and just where the tax-money was being spent. A 25 per cent. income-tax, for the subsidizing of a few individuals, would accomplish all the "protection" of the tariff, would be no more of a burden, and would be much more workable. But the special privilege of this method would be too glaring for the American people to endure. Thus we see the one great advantage which the tariff system has over the bounty system: namely, that it is more easy to fool the public with. But, as Lincoln said, you can't fool all the people all the time.

#21.

Apart from the question of methods, this artificial stimulation itself is not necessary in the case of natural and beneficial businesses, i. e., businesses of the sort to which this country is adapted, and which would have grown of their own accord if there had never



been a tariff. Advocates of artificial stimulation point to the tariff barriers between the United States and other nations as the cause of our great prosperity. Let them rather point to the free trade between the states. The infant industries of the West have not been retarded by the competition of the established industries of the East. Neither have the established industries of the East been displaced by the competition of the infant industries of the West. The truth is that the natural industries of a country can get along perfectly well without a tariff.

#22.

The fact that most of our protected industries can successfully compete with all comers abroad, completely blasts their claim for protection here. They are now selling their goods more cheaply abroad than they would have to here under free trade. It will not do for them to say that they would not be able to sell so cheaply abroad if it were not for the protection at home. If the object of the tariff is to secure bargains for foreigners at the expense of

our citizens, that object alone would be a sufficient reason for its abolition.

#23.

Not only is artificial stimulation unnecessary to these industries, but it is quite likely to be harmful, like the acquisition of a drug habit, which makes its victim, who would otherwise be perfectly self-reliant, dependent on the drug; until at last, even if he has the volition, he is unable to free himself without at least temporary damage.

#24.

In the case of unnatural businesses (i. e., those to which our country is not adapted), artificial stimulation is not a good object. There is always more advantage in doing that which one can do best, whether in the case of individuals or of nations. Without a tariff, labor and capital will seek natural channels and be utilized to the best advantage, and the country at large will be free from the burden of heavy tariff-taxation; whereas under a tariff, labor and capital will be forced by law to work at a disadvantage, for which disadvantage they will be compensated by a heavy tax on the public; and what good will be accomplished? Then, too, the condition of dependency of these "bottle-brave" businesses will have the same effect on affairs, as the presence of large numbers of paupers has on society.

#25.

We ought to treat our industries as we treat individuals. A new individual (i. e., an immigrant) is not allowed to land unless he can support himself. We regard as absurd the proposition that he supply only nine-tenths of his own support, and that we levy taxes on ourselves to supply the remainder. Yet, when a new industry confesses its inability to earn a living, we burden ourselves in order to encourage it; and, in response to its continued confession of inability, we continue the encouragement. Why not drop this policy, and strive to have a community of self-supporting industries, as well as of self-supporting individuals? Why not stop measuring our prosperity by the extent of our almshouses?



(To be continued.)

Adventures of Robinson Crusoe

BY FREDERIC BASTIAT.

ADAPTED FORM "SOPHISMS OF PROTECTION."

(Key Nos. ##21, 24.)

What is the definite effect of protection? To require from men harder labor for the same result. Why are men so attached to the protective system? Because, since liberty would accomplish the same result with less labor, this apparent diminution of labor frightens them. Why do you say apparent? Because all labor economized can be devoted to something else. What? That cannot and need not be determined. Why? Because, if the total of the comforts of America could be gained with a diminution of one-tenth on the total of its labor, no one could determine what comforts it would procure with the labor remaining at its disposal. One person would prefer to be better clothed, another better fed, another better taught, and another more amused.

Explain the workings and effect of protection. It is not an easy matter. Before taking hold of a complicated instance, it must be studied in the simplest one. Take the simplest you choose. Do you recollect how Robinson Crusoe, having no saw, set to work to make a plank? Yes. He cut down a tree and then with his axe hewed the trunk on both sides until he got it down to the thickness of a board. And that gave him an abundance of work? Fifteen full days. What did he live on during this time? His provisions. What happened to the axe? It was all blunted. Very good; but there is one thing which, perhaps, you do not know. At the moment that Robinson gave the first blow with his axe, he saw a plank which the waves had cast up on the shore. Oh, the lucky accident! He ran to pick it up? It was his first impulse; but he checked himself, reasoning thus: "If I go after this plank, it will cost me but the labor of carrying it and the time spent in going and returning from the shore. But if I make a plank with my axe, I shall in the first place obtain work for fifteen days, than I shall wear out my axe, which will give me an opportunity of repairing it, and I shall consume my provisions, which will be a third source of labor, since they must be replaced. Now, labor is wealth. It is plain that I will ruin myself if I pick up this stranded board. It is important to protect my personal labor, and now that I think of it, I can create myself additional labor by kicking this board back into the sea."

But this reasoning was absurd! Cer-

tainly. Nevertheless, it is that adopted by every nation which protects itself by the tariff. It rejects the plank which is offered it in exchange for a little labor, in order to give itself more labor. It sees a gain even in the labor of the customhouse officer. This answers to the trouble which Robinson took to give back to the waves the present they wished to make him. Consider the nation a collective being, and you will not find an atom of difference between its reasoning and that of Robinson. Did not Robinson see that he could use the time saved in doing something else? What "something else"?

So long as one has wants and time, one has always something to do. I am not bound to specify the labor that he could undertake. I can specify very easily that which he would have avoided. I assert that Robinson, with incredible blindness, confounded labor with its result, the end with the means, and I will prove it to you. It is not necessary. But this is the restrictive or prohibitory system in its simplest form. If it appears absurd to you, thus stated, it is because the two qualities of producer and consumer are here united in the same person.

Let us pass, then, to a more complicated instance. Willingly. Some time after all this, Robinson having met Friday, they united and began to work in common. They hunted for six hours each morning and brought home four hampers of game. They worked in the garden for six hours each afternoon, and obtained four baskets of vegetables. One day a canoe touched at the Island of Despair. A good-looking stranger landed and was allowed to dine with our two hermits. He tasted, and praised the products of the garden, and before taking leave of his hosts, said to them: "Generous Islanders, I dwell in a country much richer in game than this, but where horticulture is unknown. It would be easy for me to bring you every evening four hampers of game if you would give me only two baskets of vegetables."

At these words Robinson and Friday stepped on one side to have a consultation, and the debate which followed is too interesting not to be given in extenso: Friday—Friend, what do you think of it? Robinson—If we accept we are ruined. Friday—Is that certain? Calculate! Robinson—It is all calculated. Hunting, crushed out by competition, will be a lost branch of our industry for us. Friday—What differ-

ence does that make if we have the game? Robinson—Theory! It will not be the product of our labor. Friday—Yes it will, since we will have to give vegetables to get it. Robinson—Then what shall we make? Friday—The four hampers of game cost us six hours' labor. The stranger gives them to us for two baskets of vegetables, which takes us but three hours. Thus three hours remain at our disposal. Robinson—Say rather that they are taken from our activity. There is our loss. Labor is wealth, and if we lose a fourth of our time we are one-fourth poorer. Friday—Friend, you make an enormous mistake. The same amount of game and vegetables and three free hours to boot make progress, or there is none in the world. Robinson—Mere generalities. What will we do with these three hours? Friday—We will do something else. Robinson—Ah, now I have you. You can specify nothing. It is very easy to say something else—something else. Friday—We will fish. We will adorn our houses. We will read the Bible. Robinson—Utopia! Is it certain that we will do this rather than that? Friday—Well, if we have no wants, we will rest. Is rest nothing? Robinson—When one rests one dies of hunger.

Friday—Friend, you are in a vicious circle. I speak of a rest which diminishes neither our gains nor our vegetables. You always forget that by means of our commerce with this stranger nine hours of labor will give us as much food as twelve now do. Robinson—It is easy to see that you were not reared in America. Perhaps you have never read the "Protectionist?" It would have taught you this: "All time saved is a dear loss. Eating is not the important matter, but working. Nothing which we consume counts if it is not the product of our labor. Do you wish to know whether you are rich? Do not look at your comforts, but at your trouble." This is what the Protectionist would have taught you. I, who am not a theorist, see but the loss of our hunting.

Friday—What a strange perversion of ideas. But—Robinson—No buts. Besides, there are political reasons for rejecting the interested offers of this perfidious stranger. Friday—Political reasons! Robinson—Yes. In the first place, he makes these offers only because they are to his advantage. Friday—So much the better, since they are for ours also. Robinson—Then by these

exchanges we shall become dependent on him. Friday—And he on us. We need his game, he our vegetables, and we will live in good friendship. Robinson—Fancy! Do you want I should leave you without an answer? Friday—Let us see; I am still waiting a good reason. Robinson—Supposing that the stranger learns to cultivate a garden, and that his island is more fertile than ours. Do you see the consequences? Friday—Yes. Our relations with the stranger will stop. He will take no more vegetables from us, since he can get them at home with less trouble. He will bring us no more game, since we will have nothing to give in exchange, and we will be then just where you want us to be now. Robinson—Short-sighted savage! You do not see that after having destroyed our hunting by inundating us with game, he will kill our gardening by overwhelming us with vegetables. Friday—But he will do that only so long as we give him something else; that is to say, so long as we find something else to produce, which will economize our labor. Robinson—Something else—something else! You always come back to that. You are very vague, friend Friday, there is nothing practical in your views.

The contest lasted a long time, and, as often happens, left each one convinced that he was right. However, Robinson having great influence over Friday, his views prevailed, and when the stranger came for his answer, Robinson said to him: "Stranger, in order that your proposition may be accepted, we must be quite sure of two things: The first is that your island is not richer in game than ours, for we will struggle but with equal arms. The second is, that you will lose by the bargain. For as in every exchange there is necessarily a gainer and a loser, we would be cheated if you were not. What have you to say?" "Nothing, nothing," replied the stranger, who burst out laughing and returned to his canoe.

To set off a pack of firecrackers, all one need to do is to light the end of the fuse. The spark will carry to the first cracker, and after that one cracker will ignite another and there will be a succession of explosions. Thus it is with tariff revision. One schedule, in blowing up, will explode another, and the final stop will only be when there are no more schedules to explode. This is why the standpatter opposes, and the tariff reformer favors, Canadian reciprocity. The latter doesn't take a tumble just because of reciprocity, but he believes that the way to lower the tariff is to lower it, and that any beginning is a good beginning.—Puck.

A Packed Jury

This article is devoted to showing the steps that were taken to make the present Congress overwhelmingly Republican. The reports referred to, and the articles quoted from are now over a year old, but are printed now "Lest we Forget."

A year ago this summer the makers of the tariff exonerated themselves by their own vote from any complicity in causing the high cost of living. Senator Lodge, whose initials ominously suggest the high cost of living, had himself appointed at the head of a packed committee, ostensibly for the purpose of investigating the cause of the high cost of living, but in reality for the purpose of supplying Republican campaign material on the tariff. This committee reported shortly before the close of the last Congress.

Senator Lodge says unashamedly that the tariff has had nothing to do with the advance in prices. "The tariff," says the senior Senator, "seems to have been no material factor in causing the advance in prices during the past decade."

The five Republican members of the Committee on Wages and Prices of Commodities find seventeen causes for the increase. This is the list of

GUILTY!

- Reduced fertility of land.
- Increased banking facilities.
- Increased cost of production of farm products.
- Combinations and associations.
- Labor unions.
- Sanitary and other regulations.
- Immigration.
- Freight rates.
- Shifting population.
- Wages and hours of labor.
- Demand for farm products.
- The gold supply.
- Cost of distribution.
- Over capitalization.
- Higher standard of living.
- Cold storage.
- Wholesale and retail prices.

NOT GUILTY!

The Tariff.

The Republicans who signed their names to this finding with Senator Lodge, were Senators Gallinger of New Hampshire, McCumber of North Dakota, Smoot of Utah, and Crawford of South Dakota.

A few of the many flaws in this carefully prepared report are pointed out by Doctor Thomas Nixon Carver, professor of political economy at Harvard, and by Hon. Charles S. Hamlin, who was assistant secretary of the treasury just before the passage of the Dingley tariff in 1897. These men are recognized as

among the greatest living American authorities on the tariff.

Doctor Carver says, "I find that in the latter part of the report the investigators of the high cost of living making use of some rather adroit arguments. But it is easy to pick out those commodities which are not affected by the tariff and discuss them. The investigators studiously avoid picking out commodities like timber, etc., which are unquestionably affected by the tariff. There is still some report to be made on the commodities which are affected by the tariff."

"The collections of figures in the report are excellent. If in reading the report one will omit the findings of the committee, which are worthless, and attend to the figures strictly, the reading in that case will be worth while. It is the deductions that are not worth while. It is necessary that one put his own interpretations on the figures."

"I think the omission of all reference to the tariff was intentional. This has its political significance."

Hon. Charles S. Hamlin says, "The committee give fifteen reasons for the increased cost of living, but the tariff is not mentioned as one of these causes. One would suppose it impossible for anyone in the United States to find fifteen causes for the increased cost of living without mentioning the tariff as one of them, but this is the conclusion which the majority of the committee has reached. Out of the hundred and forty-two pages devoted to this question only four pages are assigned to the tariff, and the statements therein are so vague and general that it is almost impossible to understand just what the committee is driving at."

"The first comment that I should make would be that it is manifestly absurd in discussing the question of the cost of living, especially as relating to the customs tariff, to compare the years 1900 and 1910. The resolutions appointing the committee directs the committee to begin with the year 1900. This fact alone is very suspicious and looks as if the author of the resolutions desired to keep out of the inquiry just what happened as regards prices and the cost of living between the years 1897 and 1900."

"The McKinley tariff was passed in 1897, and between 1897 and 1900 there was an enormous increase in prices brought about by the formation of trusts and combinations under the protecting influence of the tariff of 1897. These combinations between these years brought about enormous increase in prices."

(Continued on page 15.)

Some Tariff History

A TARIFF BOARD.

(Key No. #65.)

In 1882, when there was a popular demand from one end of the country to the other, for relief from the exactions of the war tariff, which had been maintained for almost a decade after the close of the Civil strife, a tariff commission was appointed to investigate the subject of the customs duties and make recommendations. It performed its work with great zeal and ardor. It traveled more than 7,000 miles, taking the testimony of witnesses, visited nearly all of the large cities of the country, heard the statements of more than 600 persons interested in the subject, and submitted more than 2,500 printed pages of evidence, together with a recommendation that the duties were from twenty to twenty-five per cent. too high, and that they should be reduced. The House took its report, amended it, and sent it to the Senate. There the tariff barons got in their work, as they always do. Instead of taking the recommendations of the Tariff Commission the Senate passed a measure, increasing the average duties by more than five per cent. rather than lowering them twenty to twenty-five per cent. in accordance with the findings of the Tariff Commission.

So much for the Republican Tariff Commission of thirty years ago. Is there any reason, judging the future by the past, to believe that the Republican party now would seek to do differently by its present Tariff Board if its recommendations should be in favor of tariff reductions?

The circumstances and conditions under which the existing Tariff Board was organized belie the present assertion that its findings are desired as a basis upon which to revise the tariff schedules.

Discussing the recent sudden conversion of the Republican party to the Tariff Board idea, Representative Hull of Tennessee, in a recent speech in the House, said:

"A Tariff Board, which to Republicans, previously had been lunatic nonsense became 'their hearts' delight' as the acme of scientific sanity. To them the tariff henceforth became shrouded in darkness and mystery. Republican statesmanship and infallibility in the construction of scientific tariffs suddenly collapsed. A Tariff Board was the only touchstone for its revision. Republicans, brass-throated and leather-lunged, who had formerly denounced it, gradually proceeded in dulcet tones to praise it. Their friendship for this

board soon became as warm as that which David had for Jonathan. With some of that unreasoning hope that made Micawber's life so beautiful, they imagine that somehow this board may be the means of saving the life of their party and the high protective tariff. Since the last election, in which the Payne law was so overwhelmingly condemned, Republicans in loud lamentations have cried out, 'Oh, Lord, what shall we do to be saved?' But since the prayers of the wicked are not answered, they have again embraced a Tariff Board or commission, as a device to quell popular indignation."

The truth is that the Tariff Board argument is merely a buffer which it is sought to place between the popular demand for tariff reduction and the justice which accompanies that demand, and the determination of the beneficiaries of high protection, and their agencies in Congress, to ward off as long as possible the blow which is being directed at their cherished policy, and to soften that blow as much as can be when it is delivered. It is the life line which is being thrown out into the turbulent sea of public indignation, in the hope of saving some one from the wreck of the G. O. P. There is the vain anticipation that there may be enough salvage to finance another campaign in the interests of protection.

THE WILSON TARIFF.

(Key No. #66.)

Some Protectionists state that the operation of the Wilson Tariff was injurious to our people; that all prices fell; that the panic of 1893 was caused by it; that millions of men were thrown out of employment. It is also said that "Coxey's army marched from the west to Washington to protest against a Government under which such things were possible."

The fact that the Wilson Bill did not become law until a year after the panic of 1893, and that if Coxey's army marched to Washington to protest against the tariff, it must have been to protest against the McKinley Bill, which was in full force at the time, doubtless escapes their memory. Doubtless also they never knew that the first Republican State Convention in Massachusetts held after the passage of the Wilson Bill, inspired by motives of expediency, never mentioned the Wilson Tariff, not even to attack it! Yet these are the facts.

The panic of 1893 was caused largely by the passage of the Sherman silver purchase law, passed by the Republican

Congress to placate the silver interests and to secure votes for the McKinley Tariff Bill. So disastrous was this Bill that the Republicans who passed it were compelled by the force of public opinion to follow the leadership of President Cleveland and assist the Democrats in its repeal.

It is also said that the Wilson Bill did not produce enough revenue. This is tantamount to saying that the imports under it were not large enough to furnish the necessary revenue.

This was true enough at the time; but if that Bill had remained on the statute books, even apart from the loss of some fifty millions a year from the income tax (which was declared unconstitutional), it would ultimately have produced revenue ample for the needs of the Government economically administered, and there is high protectionist authority for this assertion.

The fact that the Republican administration had turned a surplus of eighty-three millions left by Cleveland in 1889 into a deficit of some millions of dollars in 1893 made the panic caused by the Sherman Act more acute; and the concealing of this deficit and turning it into an apparent surplus of twenty-four millions by turning into the Treasury trust funds to redeem National bank notes, by counting subsidiary coinage as a treasury asset, and by changing the system of treasury book-keeping, did not help matters.

Of course it will be claimed that this deficit was caused by the fear of Democratic success, but the significant fact remains that for the last six months of the fiscal year ending June 30 1892,—months before the Presidential election,—there was an excess of \$500,000 in expenditures over receipts!

History will record that there was a steady recovery after the panic of 1893, and that by the year 1895 business was marvellously reviving. Railroad earnings increased. Railroad stocks rose from 20 to 40 per cent., the iron and steel business boomed, pig iron increased from \$10 to \$17 per ton, steel rails from \$24 to \$28; cotton increased two cents per pound, and bank clearings made a favorable showing,—all this under the Wilson Bill. Those increased prices came from a healthy demand, and not from a decreased supply caused by high tariff taxes.

Protection is legalized robbery plus false pretenses—the former in that it takes from many for the benefit of the few, the latter in that it pretends to give higher wages to labor.

Brief for Free Trade

To accompany the Tariff Argument for Debaters the author has prepared the following abstract of that argument, with citations and references with which to amplify it. The argument is intended to contain, in the most concise form possible, an orderly exposition of every point that is likely to arise in a debate on the tariff. This brief is intended to enable a debater to get further light upon any subheads on which the discussion in his particular dispute may happen particularly to concern itself.

It is evident that this bibliography cannot be even approximately complete. But we aim to improve it continually. With this aim in view, we request each of our readers to send us additional citations, which we will print as addenda in succeeding numbers of the Broadside. This request is directed particularly, though not exclusively, to debaters who make use of this argument. We also hope that these debaters will send us copies of their own briefs, with citations, and newspaper reports of their debates.

The American Free Trade League aims at reciprocity between the League and whoever may be interested in tariff material. Hence the above request. Hence likewise the willingness of the League's central office to furnish personal help to debaters and political candidates. Correspondence is invited.

Many of the following citations are from publications of the League, which can be obtained from headquarters. See the price list printed in the Broadside. Many of the remaining citations we expect to reprint in the Broadside, so as to place them within easy popular reach. Also the table of additional citations, with key-number cross-references to this original table, will be made a permanent feature in the Broadside. The result will be that the Tariff Argument for Debaters, supplemented by the Broadside and the other publications of the League, will constitute an ever up-to-date encyclopaedia of the tariff, and thus be one of the most complete and exhaustive works on economics ever published.

THE BRIEF.

Part I. Introduction.

- # 1. Definition of Free Trade.
Argument, ##41 and 42.
Hog Book, pp. 54-55.
- # 2. Definition of Tariff.
Argument, ##13 and 43.
Brickett, pp. 7, 17-18 and 51.
- # 3. Inconsistency of the two phases of the tariff.

Hog Book, p. 28.

Part II. Revenue Tariff.

- # 4. A wasteful system of taxation.
Broadside, Vol. II, No. 1, p. 2, col. 2.
Mill, Book V, chap. IV, sec. 5, pars. 3-5.
- # 5. Unwarrantably confiscatory.
Argument, #50.
Taylor, p. 95.
- # 6. A tax on consumption, which is unscientific.
Argument, ##2, 4, 9 and 57.
Protection or Free Trade, p. 214.
Hog Book, p. 26.
Taylor, pp. 82 and 93.
- # 7. A tax on necessities, which is bad public policy.
Mill, Book V, chap. IV, sec. 3.
- # 8. A very indirect tax, therefore the voters feel no responsibility.
Argument, #57.
Brickett, p. 63.
- # 9. For the same reason apportionment is impossible.
Argument, #6.
Hog Book, p. 26.
- #10. Insincere, being a mask for protection.
Broadside, Vol. III, No. 1, p. 8, col. 1.
Mill, Book V, chap X, sec. 1, par. 10.
- #11. Always danger of tariff tinkering and a return to high tariffs.
Broadside, Vol. III, No. 1, p. 8, col. 1.
- #12. How else to raise revenues?
Brickett, pp. 80-82.

Part III. Protective tariff.

- #13. Definition.
Argument, ##2 and 4.
- #14. "Protection," a catch-word.
Broadside, Vol. III, No. 1, p. 4, col. 3.
- #15. The workers do not need protection.
Brickett, p. 72.
Hog Book, p. 10.
- #16. The tariff does not maintain high wages.
Brickett, pp. 142, 28-30.
Broadside, Vol. III, No. 1, p. 14, col. 3.
Protection or Free Trade, pp. 214 and 217.
- #17. Wages should be measured by their purchasing power.
Hog Book, p. 7.
- #18. Statistics do not show even the coincidence of high tariff and even high money wages.

Protection or Free Trade, pp. 216-220.

- #19. High wages are not a burden to the employer.
Protection or Free Trade, p. 221.
Broadside, Vol. III, No. 1, pp. 15-16; p. 16, col. 3.
Hog Book, pp. 44-45.
 - #20. Tariff not the best form of artificial stimulation.
Argument, ##29-60.
Hog Book, pp. 28-31.
 - #21. Artificial stimulation of beneficial trades not necessary.
Argument, No. 62.
Broadside, Vol. III, No. 2, p. 4.
Hog Book, p. 37.
 - #22. Merely enables them to give bargains to foreigners at our expense.
 - #23. And is likely to be harmful even to themselves.
Hog Book, p. 32.
 - #24. Not a good object in the case of unnatural industries.
Protection or Free Trade, p. 293.
Broadside, Vol. III, No. 2, p. 4.
 - #25. Weak industries should be treated like weak immigrants.
Brickett, p. 39.
- (References: "Argument," A Tariff Argument for Debaters, accompanying this Brief; the references are to that part of the Argument which corresponds to the designated # of the Brief. "Brickett," Tariff Teachers Cross Examined, by George Brickett; obtainable of the American Free Trade League for 10c. "Hog Book," The Whole-Hog Book, by J. W. Bengough; obtainable of the American Free Trade League for 15c. "Broadside," The Free Trade Broadside, quarterly publication of the American Free Trade League, 25c a year. "Protection or Free Trade," by H. W. Furber, being a collection of articles on the tariff by the most eminent political economists and statesmen, now out of print but obtainable at most public libraries; "Mill," John Stuart Mill in Political Economy; "Taylor," Elements of Taxation, by Newton M. Taylor, Equity Series, 1520 Chestnut St., Philadelphia, price 25c.)

Free Trade stands justified. In the sphere of ethics it is the path to humanity, honesty, and commercial purity; but no less in the sphere of politics is it the path of safety, and in the sphere of economics is it the path of profit.—Russell Rea.

Current Press Opinions on the Tariff

A TASTE OF FREEDOM FEARED.

By an overwhelming majority, the Canadians rejected the reciprocity treaty. For several reasons, this is to be deplored.

In the first place, the partial free-trade which the treaty proposed to inaugurate, would have been the entering wedge which would have naturally tended toward the destruction of the infernal tariff system. The standpaters realized this, and they fought the measure desperately. They feared to let the people get a taste of free trade. They knew that if the consumers should be able to buy lumber, etc., at natural prices, all the unnatural, tariff-made prices would be endangered. Hence, the Trusts rushed men and money into Canada, and we will never know how many votes were controlled in this way.

In the second place, free trade means peace, while tariff duties mean war. Every American who is capable of taking a broad view of such matters would much prefer to see Canada and our Union behaving toward each other like good neighbors, instead of trying to cut each other's throats with hostile tariffs. There is no more sense in barring out Canadian commodities, than there would be in saying that the farmers of Minnesota and Wisconsin shall not enter the Southern markets without paying a high license fee for the privilege. Our country is not cut off from Canada by any natural barrier. We join, along an extensive frontier. For each country to put burdensome conditions upon their mutual interchange of products is as senseless as it would be to make a tariff-wall along the Mississippi, separating the East from the West and collecting duties on goods crossing the river.—Jeffersonian.

THE CANADIAN SURPRISE.

If the process of fooling the people about tariffs and protection were not one made altogether familiar to us by practice and repetition, we should be astounded at the extraordinary manner in which the Canadians have permitted themselves to be fooled and bamboozled against their own interests in regard to the Reciprocity Agreement. Measured by any test of its relation to the prosperity of Canada and its people, the agreement was so advantageous to them that its rejection was regarded as well-nigh incredible. We did not think they would be so foolish. But they have overthrown the Laurier Government, not so much because they dislike reciprocity, as because of their desire to reaffirm in this grotesquely extravagant and costly way their loyalty

to the empire. It is evident that they actually believed the stuff dinned into their ears by the Conservatives about reciprocity as the "thin edge" of annexation, and that they believed, too, the preposterous falsehoods about our designs upon their independence, about our purpose to get hold of Canada by hook or crook, an adventure of which reciprocity was but the cunning and subtle beginning.

In many ways Canadians are much more British than the British themselves. They are exceedingly proud of the empire and of their attachment to it, and they are sensitive on the point. Their unconquerable loyalty to the mother country is a quality altogether creditable to them, that no one in the United States would deny. Nor would any sensible person this side the border be disposed to "make fun" of that loyal attachment. It is only its extravagant and silly manifestations that provoke our mirth. Certainly the vote against reciprocity is the most extravagant price the Canadians have ever paid for their reputation of being loyal Britons. It was because the annexation talk, the slanders about President Taft and his motives, and the falsehoods as to the intentions of the United States ran in the actual course of Canadian inclinations that these campaign tactics were so astonishingly successful. The Canadian voters believed the tales because their prepossessions inclined them to the belief.

The period of sober second thought will come to most of them, but we do not see how they can retrace their false step. They have voted to cut themselves off from the privilege of freer trade with their nearest and greatest market—and all because they were afraid somebody would think there had been an abatement in their British loyalty. Of their total foreign trade 50 per cent. is with us. Taking exports and imports together, their trade with the United States is \$327,000,000, against \$234,000,000 with Great Britain. They imported from us in their fiscal year 1910 goods to the value of \$223,000,000, against \$95,000,000 from Great Britain; and they sold to us \$104,000,000 against \$139,000,000 to the mother country. We are ninety millions, just across their border, the greatest market in the world can supply for their products. We want what they produce, and we have offered to remove altogether our customs duties on a great part of them, and to lower the duties on others. Reciprocally, their Government had assented to similar tariff reductions that would have given them freer access as purchasers to our

markets. Beyond all question, it was for the benefit of the Canadian farmer that the agreement should be ratified. It was not less evident that the Canadian manufacturer would be benefited by securing free raw materials from the United States, and those benefits would have accrued in large measure, also, to the consumers of Canadian manufactures. The home market of the Canadian manufacturer was not menaced by the agreement, it was rather assured to him. It did not make so very great a difference to us whether reciprocity was approved or rejected. With Canada it made a material difference.

Yet these promised benefits the Canadians have rejected by a vote which, apparently, represents nothing so much as their fear lest the question of their loyalty to the empire would be raised by a vote sustaining Laurier. It was a silly thing to do; it was putting away the real substance of national advantage because of a foolish and overstrained sentiment. The wiser men on both sides of the border will regret this decision, because, inevitably, it has created, particularly in Canada, a state of feeling the reverse of favorable to closer trade relations.—New York Times.

TARIFF ON FOOD PRODUCTS DOOMED.

Wheat in the principal grain markets of this country rose over two cents a bushel in consequence of the defeat of Canadian reciprocity. At Winnipeg, on the Dominion side of the line, there was a corresponding fall in the price of the grain. The explanation given in produce exchange circles is that "the defeat of reciprocity means that the vast surplus stores of wheat and other grain from Manitoba and other sections of Canadian Northwest will not be brought across the border to compete with the American grain-raisers."

These "vast surplus stores" will nevertheless go to the Liverpool market, if they do not come here; and in depressing that grain market they will depress our own grain market as long as we have a surplus of grain to export. Even in this year of crop failure it is not clear that we are to lack a staple grain production beyond our own needs. At most and in ordinary years, free trade in grain over the Northern border could not evidently have more than a small local effect here and there in prices.

But those who stand for a tariff on staple food products will have it otherwise, and the present action of our grain markets will long be pointed to by them in demonstration of its effect-

iveness for farm protection. And what then? Hardly more than a third of the people of this country are now employed in agriculture. How long will such a country put up with a tariff which operates or is made to appear as operating to increase the cost of staple articles of food? Austria, with more than half its people in agriculture, suffers from riots over a tariff in restriction of imports of meat. What shall we likely suffer from over a tariff to enhance the price of bread and meats?

The doom of the American tariff in application to food products is being decreed in these developments. And if the rest of the tariff can stand only as long as the agricultural end of it stands, as all standpoint agrees to be the case, then the downfall of the whole high-tariff policy of this nation is now being decreed. More than this, the defeat of reciprocity means that this tariff policy of ours is to fall down not in that favorite way of gingerly Republican tariff reformers, but through our own independent action.—Springfield Republican.

AN OBJECT LESSON.

We do not observe that there is any special elation in high-tariff quarters over the defeat of reciprocity by the tidal-wave of Thursday. Even as an expression of protectionist sentiment in Canada, the defeat of Laurier cannot be made much of, for it is abundantly evident that the tremendous overturn, sweeping over all sections and covering all classes of interests, meant an assertion of national sentiment and not of economic opinion or desire. But as to the effect in this country, the decisive shelving of reciprocity is not only a help to the high-tariff party, but a tremendous hurt. It was as a device for buttressing protection that the reciprocity idea was kept alive, and petted, and coddled, by Republican statesmen from Blaine to McKinley. It was finally put through—so far as it lay in the power of this country to do so—with the hearty co-operation of the Democrats, at a time when tariff-reduction sentiment had grown to be unmistakably formidable. With this attempted concession to the sentiment brought to naught, the path of straight-out tariff reform is made plainer, and its victory brought distinctly nearer. Incidentally, the sharp rise of prices of foodstuffs in our Western markets, upon receipt of the news that the tariff wall on the Canadian border is to be maintained, will not fail to serve as a vivid object-lesson on the workings of the protectionist system.—N. Y. Evening Post.

FLYING MACHINES.

From flying-machines to the tariff seems a far cry, and yet Henry George, the great single-tax champion, in his book on "Protection or Free Trade," written many years ago, sees this connection. "The directness, the swiftness and the ease with which birds cleave the air, naturally excites man's desire. His fancy has always given angels wings, and he has ever dreamed of a time when the power of traversing those unobstructed fields might also be his. That this triumph is within the power of human ingenuity who in this age of marvels can doubt? And who would not hail with delight the news that invention had at last brought to realization the dream of ages, and made navigation of the atmosphere as practicable as navigation of the ocean? Yet if the protective theory be true this mastery of another element, would be a misfortune to man. For it would make protection impossible. Every inland town and village, every rood of ground on the whole earth's surface, would at once become a port of an all-embracing ocean, and the only way in which any people could continue to enjoy the blessings of protection would be to roof their country in." For the kind of an airship that Mr. George foresaw the world still waits.—Boston Transcript.

HOW TARIFFS WORK.

(Key Nos. ##3, 18, 40, 56, 58.)

Much of the confusion in the public mind over the tariff question arises from the fact that it has been the policy of high tariff advocates always to involve the discussion of the question in a maze of technical phraseology, coupled with the employment of masses of figures that have little or no bearing upon the matter at issue. In truth it is not so complicated or involved as most persons think it is. A tariff is levied, under the protection theory, for the express purpose of enabling the domestic manufacturer to charge a higher price for his product than he could get if the ports were free to the merchandise of the world. It is manifest that if an article that is imported comes into competition with a similar article manufactured here, and that imported article bears a tariff of 40 per cent., its market price is 40 per cent. higher than if there were no tariff; and the imported article being raised in price 40 per cent., the home manufacturer will not sell his product for materially less than the competitive article brings. In fact, the tariff was put upon it so that he could charge more than otherwise would be possible.

If this tariff be so high that no foreign-made article can profitably be imported under it, it may be set down as

prohibitive. When a tariff rate is prohibitive it means that the home manufacturer has the market all to himself, and can make, subject only to whatever competition exists, whatever price he pleases, only so that it is not so high that it starts a flow of importations. The reason advanced by the protectionist for a high duty on imports is that, given freedom from competition by manufacturers employing poorly-paid labor, domestic manufacturers will be developed, labor will always find profitable employment and a home market afforded for all the produce of our farms. In theory this sounds very nice. In practice, it is true, manufactures have been highly developed, but instead of inaugurating an era of competition, the greater the development the greater the tendency has been toward combinations and trusts, which means higher prices. In practice, instead of labor being assured of continuous employment at high wages, employment is notoriously intermittent and wages are almost invariably lower in the protected industries than in the unprotected. And our farmers still export large quantities of grain.

A tariff duty possesses all of the essential elements of a tax. The price of the clothing one wears, the price of what one uses or consumes, if burdened with a tariff, is arbitrarily raised in price because of that duty. Only that portion of this tax which is collected through the custom houses finds its way into the public treasury. That portion which the protective tariff enables each manufacturer to levy goes only into his own pocket. As for example, a pair of blankets costing \$3 abroad can not come through the customs house and into the American jobber's warehouse until after it has paid a tariff tax of approximately 125 per cent., or \$3.75. Manifestly, it can not be sold for less than \$3 plus \$3.75 or \$6.75. Manifestly also, the domestic maker of blankets will not sell for less than that figure because he wants and takes the protection the law affords him, and there is not enough local competition to cut his price materially. Thus, for all practical purposes, the tariff operating just as its makers and sponsors want it to act, whoever buys either blanket will pay at least \$6.75. If it is the foreign-made blanket that is bought, the tax goes into the treasury, but if the American-made article is purchased, the manufacturer pockets it.

It will be recalled that the original plea for protective duties was that by shutting out the foreign manufacturer the home manufacturers could develop to the point where competition between them would make it of no moment what

(Continued on page 16.)

Tariff Publications

Obtainable From the American Free Trade League.

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Each Pamphlet mailed on receipt of 2-cent postage.

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Free Trade vs. Revenue Tariff.

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The American Wage Standard.

1911. Hon. William C. Redfield.

(A Congressional Speech.)

The Wool Schedule.

1911. Hon. Henry George, Jr.

(A Congressional Speech.)

The Cotton Schedule.

1911. Hon. William C. Redfield.

(A Congressional Speech.)

Free Trade Broadside, Bound Volume, 17 numbers, \$2.

"The Real Meaning of Protection," by B. G. M. Baskett, Secretary to The International Free Trade League. Price, 10 cents.

"A Substitute for the Tariff Upon Imports." By John Bigelow. A pamphlet privately printed. A limited number for sale. Price, 25 cents.

"The Tariff and the Farmer." By S. Payson Perry. Price, 25 cents.

"The Whole Hog Book." By J. W. Bengough. A Rendering into words of One Syllable of Henry George's "Protection or Free Trade?" Illustrated by the Author. Price, 15 cents.

"Tariff Teachers Cross-Examined." By George Brickett. Price, 10 cents.

A CATECHISM.

What is the tariff?

The greatest boon the men who set the type for the Congressional Record ever had.

Who write the best tariff speeches?

The secretaries of the Senators.

Who reads them?

The proofreaders.

Why are tariff speeches delivered?

Nobody knows.

Has any tariff speech delivered in the Senate changed a vote?

Not since 1846.

But tariff votes in the Senate have been changed?

Yes.

What changed them if not arguments in speeches?

Inducements in whispers.

What is an infant industry?

Any corporation that will put up to help a Senator's re-election.

What is the pauper labor of Europe?

Something that has been used for forty years to keep the American labor vote right.

Does Protection protect?

It protects the Republicans in the Senate—and some of the Democrats.

What is the difference between a Republican who believes in Protection and a Democrat who believes the tariff is a local issue?

There isn't any.

What is a tariff for revenue?

Something that allows the Democrats to steer clear of free trade.

What is the senatorial opinion of free raw materials?

Every Senator thinks raw materials not produced in his own state should be free.

What is reciprocity?

A lovely theory every Senator is perfectly willing the neighboring states should try.

Has reciprocity any friends in the Senate?

No; but it has some supporters.

How does the Senate regard the President's reciprocity views?

It doesn't regard them; it disregards them.

What is Henry Cabot Lodge's position on reciprocity?

He stands between fish and duty to the Administration.

What is Senator Gallinger's position?

He favors the measure—they produce few fish in New Hampshire.

What is true tariff revision?

Taking care of the manufacturing friends of the organization.

—S. G. Blythe, Saturday Evening Post.

The demands of international exchange become more imperative, so that the burden of custom-house oppression becomes greater year by year.

A Blind Pool

BY THOMAS G. SHEARMAN.

(Reprinted from a pamphlet of the Michigan State Free Trade League).

(Key Number #40.)

Protection is a "blind pool." Few understand what a "blind pool" is; but it is a phrase well understood among speculators. John Smith, for example, having obtained the confidence of a large number of speculators, informs them that he has a scheme in his mind by which enormous profits can be made, but which requires the investment of a large amount of capital on terms of absolute secrecy. If (he says) he were to tell any human being what use he made of the money, not merely when he bought and when he sold, but even what he intended to buy and sell, rival speculators would put up the price of the subject of speculation to such a degree as would make it useless for him to attempt anything. A well-known gentleman in New York, about two years ago, proposed a blind pool of this kind to his friends; and in less than two days over \$17,000,000 were subscribed, of which he accepted only \$7,000,000, and used it for several months without giving one of the investors a hint as to where the money had gone or when it would come back. In the end, the transaction proved very profitable to all concerned. But, of course, this gentleman acted under many restraints. Not only was his high reputation a guarantee for the propriety of his action, but everybody knew that sooner or later he could be compelled to account for every dollar of the money by legal proceedings, and could, after a reasonable lapse of time, be required to show exactly what he had bought, and at what price, and when and at what price he had sold.

Now, protection is a blind pool of this kind, with three important points of difference.

1. You know nothing whatever of the character or reputation of the men to whom you entrust your money; indeed, you do not even know their names.

2. You not only have no legal right whatever, to enquire what they have done with your money; but you have an absolute certainty that no such account will ever be given to you or to any one else.

3. Even if the persons who took your money were ever so much inclined to give you an account of the profits made on the transaction, and to tell you what they have done with your money, they could not possibly do it.

Protection consists in a heavy tax levied upon all the people of this coun-

try, in a proportion bearing ten times as heavily on the poor as on the rich, under assurance that, in some mysterious way, a large profit will be made upon these taxes, which will be redistributed among us all in like proportions. We are assured that this heavy taxation is necessary to enable manufacturers to pay high wages to their workmen, that these workmen in their turn will pay good prices to the farmers and shop-keepers for what they eat, drink, and wear, and that thus we shall all make money by being taxed.

Under this assurance, the manufacturers tax you as much as they like; they give to their workmen only just so much as they like; and the workmen pay to the farmers and shopkeepers no more than they can possibly help. Nobody knows exactly what manufacturers receive the benefit of these taxes; nobody knows precisely what profit they make out of them; nobody knows precisely what wages they pay their workmen; everybody knows that they do not pay their workmen a penny more than other employers pay, who get none of these taxes; and there is not in the whole land one human being who could, if he would, show you where one single penny of the benefit positively comes back from these heavy taxes to anybody except a few thousand manufacturers. But, undoubtedly, these manufacturers are honorable men; their intentions are very good; and they assure you continually that their only motive for taxing you so heavily is to pay you larger profits in some mysterious way, which they do not themselves understand, but which they are quite sure would be satisfactory to you, if you could only understand it.

Now, let me put my hands in your pockets, as you let the protected manufacturers do. You give to them about one-quarter of all that you earn, on the strength of somebody's assurance that you will get it all back with a profit. This "somebody" you do not know. You never did see him, and you never will. You cannot give me the name of any one man who will make that assurance on his own responsibility. He gives you no security; indeed, he does not give you his personal promise. He simply tells you that "it must be so." Now, give to me another quarter of your earnings. I am no anonymous protectionist. I am not a newspaper article without signature, which is really all the guaranty that you have for the return of the quarter of your earnings which you now give up. Give me a quarter of your

earnings, and I will give you my written guaranty to use them for your advantage, charging for my services only half the commission that manufacturers do—say 3 per cent. a year. More than that: I will give bonds, signed by some of the wealthiest men in New York, in four times the amount of any money you put in my hands, to account for it and to invest it for your benefit, only reserving the right to use it in my own discretion. Why do you not rise up and accept this offer?

Perhaps you are not entirely satisfied with me. Well, I will procure you the same offer from almost any other person whom you may name. I will get a bank to do it for you. Why do you not accept this offer? Because, of course, you all know that you would be fools if you did. You know very well that neither I nor any one else can possibly use your earnings to as much advantage for you as you can yourselves. Some surplus money you may be willing to invest; but even then you prefer to lend it out at interest on good security. You would not let any one take your earnings for the mere purpose of speculation, with no other security than a promise that he would give you such part of the profits as he saw fit, in case of his success. Yet you allow one quarter of your earnings to be taken every year for the purpose of speculation, by men who give you no security and not even a promise to divide their profits with you, and whose names you never know, and can never find out. Who says that faith is extinct in the Nineteenth Century?

A PACKED JURY.

(Continued from page 9.)

In spite of the report of this packed jury, and without the need of very learned economic discussion, it is easy to see that the protective tariff must cause the increase in prices, else how would it benefit the protected manufacturer? It is irrefutable that in so far as a protected tariff fulfills the ends for which it is framed, it must increase prices, and that in so far as it increases prices it must add to the increase in the cost of living.

The Lodge report and the Luce report were carefully designed for the purpose of stemming the Democratic low tariff wave, and of electing Republicans to Congress. The success of this ruse may be seen by examining the personnel of the present overwhelming Democratic House. "You can't fool all the people all the time."

Editorials

OUR ARTICLE FOR DEBATERS.

The West Publishing Company revolutionized the study of the law by the invention of their key-number system of annotation. Each point of law, contained in any recent court-decision, has been catalogued and given a number by the editors of this company. This same key-number may be found beside each headnote in the company's abstract of each case. Every cyclopedia of decisions is arranged in the order of those numbers, and every volume of reports is indexed according to this system. So that, when an attorney once finds a case in point in his controversy, he has at once the key to every other known case involving the same question.

This editorial is not intended as an advertisement for the books of the said West Publishing Company. It is merely intended as an acknowledgment of the service that they have done us in giving us the suggestion for our annotation, begun in this number, of the whole subject of the tariff. It is also intended to advertise our system to our readers.

Hereafter in our Tariff Argument for Debaters we shall head each point with a paragraph number. This number will be the key to the corresponding paragraph in our Brief for Free Trade, containing citations on that very point. Also it will be the key to the contents of some of our future articles.

We hope that this method will be the means of helping our readers to secure speedily any material on the tariff that they may wish. We suggest that the Home Market Club adopt the same system of annotation, so as to save confusion. And, finally, we thank the West Publishing Company for the idea.

RECIPROCITY.

The results of the recent Canadian election show that the stand-patters of the United States have won a vicarious victory. We offer them our congratulations.

For some time the protectionists have been up against it. The present era of economic awakening in the States has led our people to mistrust the tariff, and to demand a reduction. At just this time comes the reciprocity movement. The stand-patters stood to lose, no matter which way Congress voted on the question; for, if reciprocity were adopted, it would constitute a big stride towards free trade; and, if reciprocity were defeated, there would be danger of the disgruntled electorate rising in their wrath and overthrowing the whole system of protection. The Free Trade League felt that it could consistently keep its hands off the struggle, since

it stood to win, whatever the outcome. Congress showed low-tariff sense, and the reciprocity agreement was adopted on our side of the line.

But Canada apparently has not progressed so far as the United States, and so rejected the agreement. We wish to call to the attention of the Home Market Club the reason for Canada's rejection.

During the reciprocity campaign in the States, everyone assumed that Canada was keen for the agreement. From this premise, the American stand-patters, using their usual logic, reasoned that the United States ought to oppose it. It seemed inconceivable to them that there could be mutual benefits to both sides of any bargain. How men with such views can ever transact any business is beyond us.

Of course, their reasoning was unsound, but we now request them to stand by it. If Canadian keenness for reciprocity would have signified disadvantage to us, the stand-patters ought now to admit, by the same line of reasoning, that reciprocity would have been a great boon. Therefore, we invite the Home Market Club to join with us in regrets.

Nevertheless, regrets over anything are really time wasted. Let us get to work. What does the situation demand? First, let us consider what were the chief benefits that reciprocity would have brought us. The increased market for our goods. That, of course, is gone until Canada reconsiders. But that was not the object that appealed to the public sentiment which forced Congress to adopt the treaty. The point which appealed to our people, oppressed by the burden of protection, was the lowering of our own tariff wall, so that Canadian products might be admitted for our consumption. So that we might get Canadian eggs, at the time of the year when the Canadian hens are laying, and when our farmers are buying back their own eggs out of cold-storage. So that we might buy Canadian lumber to retard the depletion of our own forests. And for similar reasons. That is what interested us vitally. And that is still within our grasp.

The American Free Trade League suggests to the American people that they be not disheartened by the failure of reciprocity in Canada, but that they demand of the next Congress the enactment of our half of the treaty. Thus the American people will gain most of what they now appear to have lost.

Help circulate the "Free Trade Broadside."

HOW TARIFFS WORK.

(Continued from page 13.)

the duty was, since that competition would fix the price at as low a point as could be possible. A beautiful little bunco game that was. Behind the tariff wall it was proposed to erect—and which was erected—home industries were to grow and expand, furnishing American labor a living wage and a steady job and the American farmer a home market wherein he could sell high and buy low. The industries did develop, but within a short time after they reached the point where competition between them had a tendency to lower prices, they were combined into trusts, a system under which they could boost prices to the full extent of the tariff barrier reared against the foreigner.

By the operation of the protective system, therefore, we allow the manufacturer to collect the tax on what he sells, and trust to him to distribute the proceeds fairly. The protectionist says that the true measure of a tariff duty is the difference between labor costs here and abroad, together with a reasonable profit for the manufacturer. Thus, by law, is guaranteed as much as any government can guarantee, that a manufacturer whose industry is protected shall make a reasonable profit. In addition it makes him the trustee to hand over to the labor he employs that portion of the tax which represents the difference in labor cost. How does he go about that task? Who supervises his execution of it, and who checks up on him to see that the trust is properly administered? It is a trusteeship like no other trusteeship on earth. It is unlimited, unregulated, unsupervised. The result is that the manufacturer pockets as much of it as possible, gets his labor as cheaply as he can, imports from Europe, if no other way presents itself to get cheap labor, that pauper labor he so affects to abhor when he is asking for a tariff—in short, does as he pleases, subject only to natural causes and conditions. This is the system, as we have it—the protection system. Nothing very mysterious about it or its operations, is there?—Commoner.

If a bounty system should be substituted for the protective tariff it would be no more successful in helping the laborer. It would only have the same effect as the tipping system has on waiters and pullman porters. Wages would be reduced to the extent of the bounty. Neither bounties nor tariffs can make wages any higher than what the labor market commands. There is no excuse for either.

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LOUIS R. EHRLICH

The policy of Protection will never cease from poisoning our political and industrial life until the Tariff is completely abolished.

A revenue-tariff is only diluted Protection.

Protection is a war-breeder! Externally it means commercial war between Nation and Nation; internally it means industrial war between Capital and Labor.

By ill-considered legislation we have engendered monopolistic trusts, and now we seek to curb their power by disturbing attacks on their existence and methods of business.

A revenue-tariff means repeated agitation and change



incident to the ups-and-downs of party control. Free Trade means a settlement once and for all of this most persistent and most troublesome issue of American politics.

Protection destroys self-reliance and undermines manhood. It teaches men to lean on the Government.

Protection is legalized "graft." It is an insidious scheme by which favored beneficiaries are permitted to pick the pockets of the community while the Government holds the victim down and prevents rescue from the outside.

It is a commonplace to the student of history that the meanest, the blackest, and the most cruel political and religious crimes have been committed by good people.

In Memoriam

INTERNATIONAL FREE TRADE LEAGUE.

London, Nov. 15, 1911.

My Dear Sir—I was beyond measure shocked to hear of Mr. Ehrich's death. I wrote forthwith to Mrs. Ehrich, but delayed writing to you until I had seen the Committee of the Cobden Club and the British Council of the International League.

I enclose a message to your Association from both bodies, signed by Lord Welby. You would, I am sure, have felt gratified to hear how genuinely affected everyone was to hear the news. Many of us had not seen much of him; but he was a man whose transparent simplicity, earnestness and single purpose impressed themselves on you the first time you saw him. I personally shall miss him much and miss him long; he was a man whom I admired very much, and for whom I felt a real affection.

Very faithfully yours,

B. G. M. BASKETT.

(Secretary to the International Free Trade League).

COBDEN CLUB.

Cobden Club, London.

Dear Sir—The Cobden Club and the International Free Trade League have learned with deep regret the death of your President, Mr. L. Ehrich. Both the institutions desire me as their Chairman to convey to the American Free Trade League their sympathy with the League in the loss that you and not only you, but the cause of Free Trade throughout the world, has sustained in the death of Mr. Ehrich.

We of the Cobden Club and of The International Free Trade League in this country have noted with admiration the ability and the self-devotion with which he threw himself into the task of freeing American industry from the shackles of protection. It is sad that life was not granted him to see the fruits of his patriotic labours, but, though the work is unfinished, we feel assured of its ultimate success, and that that success will be always connected with the honoured name of Louis R. Ehrich.

Yours very faithfully,

WELBY.

LA LIGUE DE LIBRE ECHANGE.

Paris, Nov. 30, 1911.

Mon cher collègue—Nous avons appris avec un très vif regret la mort de votre Président, Monsieur Louis R. Ehrich. Nous connaissions sa valeur personnelle, ses convictions, le zèle

qu'il mettait à la défense du libre-échange; et d'ailleurs les libre-échangistes sont encore trop nombreux à la surface du monde pour qu'ils ne se tiennent pas en contact aussi intimement que possible les uns avec les autres. Vous voudrez bien transmettre à la Ligue Américaine du libre-échange les vives condoléances du bureau et des membres de la ligue Française du libre-échange.

Veuillez agréer, Monsieur le Secrétaire, et cher collègue, l'expression de mes sentiments les meilleurs et les plus distingués.

DANIEL BELLET,

Professeur à l'Ecole des Sciences politiques et à l'Ecole des Hautes études commerciales.

THE BROADSIDE.

Louis R. Ehrich, statesman and economist, has been gathered to his fathers, and with his passing the world has lost a man of diversified attainments. He was essentially an all-round human-being, who might well have adopted, as his own, the motto of the late Nathaniel Southgate Shaler, namely: "Homo sum, humani nil a me alienum est."

Mr. Ehrich was born in Albany on January 23, 1849, the son of Joseph and Rebecca Sporborg Ehrich. He was graduated at Yale, and took his Master's degree there in 1869. Thereafter he studied for one year at the University of Berlin. In 1874 he married Henrietta Minzesheimer. From 1878 to 1885 he travelled in Europe, studying antique paintings, and during part of that time he was a member of the dry goods firm of Ehrich Brothers, from which he resigned in 1886.

His final vocation was that of art-expert and collector of old paintings. With his sons, Harold L. and Walter L. Ehrich, he conducted the Ehrich Galleries, in Fifth Avenue, between Fortieth and Forty-first Streets, to which he brought from Europe many old masterpieces, the gleanings of his annual tours abroad. His collections included famous masterpieces of all schools—early English, French, Spanish, Italian, and Flemish—and he was considered probably the largest importer of early Spanish masterpieces in the country. Only last year he sold to Henry E. Huntington a Velasquez, "Portrait of an Ecclesiastic," for \$100,000. Among the museums and private collections to which he furnished paintings, were the Metropolitan Museum of Art, the Worcester Museum, the Boston Mu-

seum, the Chicago Art Institute, and the collections of John G. Johnson of Philadelphia, and Archer M. Huntington, the latter of whom has placed many of his paintings from the Ehrich Galleries in the museum of the Hispanic Society.

Concerning his business reputation, one of his competitors has stated: "We could ill spare a dealer in old paintings who was absolutely honest. He did not belie his name of Ehrich, which takes its root from the German word for honor, 'Ehre.' They say that American galleries are full of spurious old masters, but I am pretty certain that not one of these came from Mr. Ehrich. He has often come to our establishment, to know if we had any fine old engravings, done after paintings which he himself possessed. Such an engraving would, of course, confirm the authenticity of an old canvas of the same subject."

When he died Mr. Ehrich had just finished his annual tour over the continent in search of old masterpieces.

Mr. Ehrich's avocation was politics and economics, in which fields he was almost as well known as in the field of art. His chief political activities took place when he was a resident of Colorado Springs. He was the only delegate from the Rocky Mountain region to attend the Gold Democratic Convention in 1896, and he was a member of the National Committee for Colorado of the Gold party, a member of the executive committee of the Sound Money League, and temporary chairman of the Third Party Convention at Indianapolis in 1896.

Upon his removal to New York, he became associated with many of the good government and reform movements there. In 1904 he was selected by the Independent Parker clubs as their spokesman to inform Alton B. Parker of their support. In politics, as in other matters, Mr. Ehrich was independent.

He has become well-known as an author of discriminating insight, by reason of his books and papers dealing with political and economic questions, among them, "The Question of Silver," "A Religion for All Time," "A Cure for Labor Troubles," and his many addresses in defence of the gold standard, of free trade, and of anti-imperialism. These have been published widely by the Reform Club, the Anti-Imperialistic League, and the Free Trade League.

(Continued on page 16.)

John Stuart Mill on Infant Industries

By JAMES BONAR, M.A., LL.D.

We print the following from a pamphlet of the Cobden Club of England:

In John Stuart Mill's "Political Economy," the passage that countenances temporary protection of certain industries in young countries is thus given (Book V., Chap. X., Sect. 1):

"The only case in which, on mere principles of political economy, protecting duties can be defensible is when they are imposed temporarily (specially in a young and rising nation), in hopes of neutralizing a foreign industry, in itself perfectly suitable to the circumstances of the country. The superiority of one country over another in a branch of production often arises only from having begun it sooner. There may be no inherent advantage on one part, or disadvantage on the other, but only a present superiority of acquired skill and experience. The country which has this skill and experience yet to acquire may in other respects be better adapted to the production than those which were earlier in the field; and, besides, it is a just remark of Mr. Rae, that nothing has a greater tendency to promote improvements in any branch of production than a trial under a new set of conditions. But it cannot be expected that individuals should, at their own risk, or rather to their certain loss, introduce a new manufacture and bear the burden of carrying it on until the producers have been educated up to the level of those with whom the processes are traditional. A Protecting duty, continued for a reasonable time, might sometimes be the least convenient mode in which the nation can tax itself in support of such an experiment. But it is essential that the Protection should be confined to cases in which there is good ground of assurance that the industry which it fosters will, after a time, be able to dispense with it; nor should the domestic producers ever be allowed to expect that it will be continued to them beyond the time necessary for a fair trial of what they are capable of accomplishing."

"The Letters of John Stuart Mill," edited by Hugh Elliot (Longmans, 1910. 2 vols.), give the history of his change of mind. At first (letter to H. Soden, of Melbourne, May 2nd, 1865, II.27) he is simply annoyed that the narrow limits of his concession have not been understood, and (letter to Milnes Edge, of Chicago, February 26th, 1886, II.57) that its authority has been invoked in the case of the United States, a country not "new" at all. But in his letter to

G. K. Holden, of New South Wales, he despairs of seeing his reservations and conditions regarded, and says, roundly, that in Australia he would not resist any form of Protection, whatsoever (July 5th, 1868, II.116). Finally, in a letter to A. Michie, of Victoria (December 7th, 1868, ib. p. 149), while admitting there may be a chosen few that desire only his limited Protection with all his limits, he sees a far more general inclination to adopt "the general theory of Protection on the old ignorant grounds," supported by the old fallacies and appeals to the "stupidest authorities." It seems to him that private interests would combine, as in the United States, to make a temporary expedient into a permanent institution. Therefore, he is now inclined to recommend instead of a temporary duty, an annual grant from the public treasury—in fact, a bonus or bounty. He repeats this conclusion in a letter "to a Minister of New Zealand" (December 11th 1868, ib. 154), and to A. M. Francis, of Brisbane (May 8th, 1869, ib. 200).

The Broadside prints the following excerpts from some of the letters above referred to:

To Henry Soden, of Melbourne.

"Avignon, May 2, 1865.

"I never for a moment thought of recommending or countenancing, in a new colony more than anywhere else, a general Protective policy, or a system of duties on imported commodities, such as that which has recently passed the representative assembly of your colony. What I had in view was this: If there is some particular branch of industry not hitherto carried on in the country, but which individuals or associations, possessed of the necessary capital, are ready and desirous to naturalize; and if these persons can satisfy the legislature that, after their work-people are fully trained and the difficulties of the first introduction surmounted, they shall probably be able to produce the article as cheap, or cheaper, than the price at which it can be imported, but that they cannot do so without the temporary aid either of a subsidy from the Government or of a Protecting duty, then it may sometimes be a good calculation for the future interests of the country to make a temporary sacrifice by granting a moderate Protecting duty for a certain limited number of years—say ten, or, at the very most, twenty, during the latter part of which the duty

should be on a gradually diminishing scale, and at the end of which it should expire. You see how far this doctrine is from supporting the fabric of Protectionist doctrines, in behalf of which its aid has been invoked."

To F. Milnes Edge, London representative of the Chicago Tribune.

"Blackheath Park, February 26th, 1866

"I have to acknowledge a letter from you, dated February 15th, asking me to explain a passage of my 'Principles of Political Economy,' in which I express the opinion that a Protecting duty, for a limited space of time, may be defensible in a new country as a means of naturalizing a branch of industry in itself suited to the country, but which would be unable to establish itself there without some form of temporary assistance from the State. This passage, you say, has been made use of by American Protectionists as the testimony of an English writer on political economy to the inapplicability to America of the general principle of Free Trade. The passage has been used for a similar purpose in the Australian colonies, erroneously, in my opinion, but certainly with more plausibility than can be the case in the United States, for Australia is really a new country, whose capabilities for carrying on manufactures cannot yet be said to have been tested; but the manufacturing parts of the United States—New England and Pennsylvania—are no longer new countries; they have carried on manufactures on a large scale, and their operations have had full time to acquire the manufacturing skill in which those of England had preceded them; there has been ample experience to prove that the inability of their manufactures to compete in the American market with those of Great Britain does not arise merely from the more recent date of their establishment, but from the fact that American labour and capital can in the present circumstances of America be employed with greater return and greater advantage to the national wealth in the production of other articles. I have never for a moment recommended or countenanced any Protecting duty except for the purpose of enabling the protected branch of industry in a very moderate time to become independent of Protection. That moderate time in the United States has been exceeded, and if the cotton or iron of America still need Protection against those of the other hemisphere, it is in my eyes a

complete proof that they ought not to have it, and that the longer it is continued the greater the injustice and the waste of national revenues will be."

To Archibald Michie, of Victoria.

"Avington, December 7, 1868.

"Industries artificially fortified, even though it be professedly for a time only, raise up private interests which combine, as they have in the United States, but too effectually to convert what was intended as a temporary expedient into a permanent institution (though the thick end of the wedge seldom follows the thin end at so short an interval as three years). These considerations have greatly shaken the opinion I expressed in my book; and though I still think that the introduction of a foreign industry is often worth a sacrifice, and that a temporary Protecting duty, if it was to remain temporary, would probably be the best shape in which that sacrifice can be made, I am inclined to believe that it is safer to make it by an annual grant from the public treasury, which is not nearly so likely to be continued indefinitely, to prop up an industry which has not so thriven as to be able to dispense with it.

To a Minister of New Zealand.

"December 11, 1868.

"I am now much shaken in the opinion, which has so often been quoted for purposes which it did not warrant, and I am disposed to think that when it is advisable, as it may sometimes be, to subsidize a new industry in its commencement, this had better be done by a direct annual grant, which is far less likely to be continued after the conditions which alone justified it have ceased to exist."

CITATIONS FROM MILL.

(Key Numbers ##4, 7 & 10.)

The following quotations from John Stuart Mill on Political Economy are those referred to in the Brief for Free Trade, published in the last number of the Broadside. They are reprinted here in fulfillment of our promise in the last Broadside to place eventually within popular reach all of the materials necessary for a complete argument for Free Trade:

#4. The kind of tax which comes under the general denomination of a discriminating duty, transgresses the rule that taxes should take as little as possible from the taxpayer beyond what they bring into the treasury of the State. A discriminating duty makes the consumer pay two distinct taxes, only one of which is paid to the government, and that frequently the less

onerous of the two. If a tax were laid on sugar produced from the cane, leaving the sugar from beet-root untaxed, then in so far as cane sugar continued to be used, the tax on it would be paid to the treasury, and might be as unobjectionable as most other taxes; but if cane sugar, having previously been cheaper than beet-root sugar, was now dearer, and beet-root sugar was to any considerable amount substituted for it, and fields laid out and manufactories established in consequence, the government would gain no revenue from the beet-root sugar, while the consumers of it would pay a real tax. They would pay for beet-root sugar more than they had previously paid for cane sugar, and the difference would go to indemnify producers for a portion of the labor of the country actually thrown away, in producing by the labor of (say) 300 men, what could be obtained by the other process with the labor of 200.

One of the commonest cases of discriminating duties is that of a tax on the importation of a commodity capable of being produced at home, unaccompanied by an equivalent tax on the home production. A commodity is never permanently imported unless it can be obtained from abroad at a smaller cost of labor and capital on the whole than is necessary for producing it. If, therefore, by a duty on the importation, it is rendered cheaper to produce the article than to import it, an extra quantity of labor and capital is expended, without any extra result. The labor is useless and the capital is spent in paying people for laboriously doing nothing. All custom duties which operate as an encouragement to the home production of the taxed article are thus an eminently wasteful mode of raising a revenue.

This character belongs in a peculiar degree to custom duties on the produce of land, unless countervailed by excise duties on the home production. Such taxes bring less into the public treasury, compared with what they take from the consumers, than any other imposts to which civilized nations are usually subject. If the wheat produced in a country is 20,000,000 quarters, and the consumption 21,000,000, 1,000,000 being annually imported, and if on this 1,000,000 a duty is laid which raises the price ten shillings per quarter, the price which is raised is not that of the 1,000,000 only, but of the whole 21,000,000. Taking the most favorable, but extremely improbable supposition, that the importation is not at all checked, nor the home production enlarged, the State gains a revenue of only £500,000, while the consumers are taxed £10,500,000, the £10,000,000 being a contribution to the home growers, who are forced by

competition to resign it all to the landlords. The consumers thus pay to the owners of the land an additional tax, equal to twenty times that which he pays to the State. Let us now suppose that the tax really checks importation. Suppose importation stopped altogether in ordinary years, it being found that the 1,000,000 quarters can be obtained, by a more elaborate cultivation, or by breaking up inferior land, at a less advance than ten shillings upon the previous price—say, for instance, five shillings a quarter. The revenue now obtains nothing, except from the extraordinary imports which may happen to take place in a season of scarcity. But the consumers pay every year a tax of five shillings on the whole 21,000,000 quarters, amounting to £5,250,000. Of this the odd £250,000 goes to compensate the growers of the last 1,000,000 quarters for the labor and capital wasted under the compulsion of the law. The remaining £5,000,000 goes to enrich the landlords as before.

#7. Taxes on necessities must have one of two effects: Either they lower the condition of the laboring classes, or they exact from the owners of capital, in addition to the amount due to the State on their own necessities, the amount due on those consumed by the laborers. In the last case the tax on necessities, like a tax on wages, is equivalent to a peculiar tax on profits; which is, like all other partial taxation, unjust, and is specially prejudicial to the increase of the national wealth.

#10. In countries in which the system of Protection is declining, but not yet wholly given up, such as the United States, a doctrine has come into notice which is a sort of compromise between free trade and restriction, namely, that protection for protection's sake is 'improper, but that there is nothing objectionable in having as much protection as may incidentally result from a tariff framed solely for revenue. Even in England, regret is sometimes expressed that a "moderate fixed duty" was not preserved on corn, on account of the revenue it would yield. Independently, however, of the general impolicy of taxes on the necessities of life, this doctrine overlooks the fact that revenue is received only on the quantity imported, but that the tax is paid on the entire quantity consumed. To make the public pay much that the treasury may receive a little, is not an eligible mode of obtaining a revenue. In the case of manufactured articles the doctrine involves a palpable inconsistency. The object of the duty as a means of revenue is inconsistent with its affording; even incidentally, any protection. It can only operate as protection in so far as it prevents importation; and to whatever degree it prevents importation, it affords no revenue.

A Tariff Argument for Debaters

ILLUSTRATED BY J. W. BENGOUGH

Part II (Continued).
Revenue Tariff Indefensible.

#26.

But how about the unnatural industries that we have on our hands at present, which owe their existence to the artificial stimulation of the tariff and which will collapse the minute this stimulation is withdrawn? That is the only question that ever gives free-traders any difficulty in answering. And yet the answer, even to this, is very simple. In the first place, the continued existence of industries founded on such a shaky basis as a political foot-ball, cannot be beneficial.

Business stability will be increased if they are destroyed, even apart from the destruction of the tariff. Some capital and some labor may be temporarily put out of work, but their loss will be insignificant compared with the gain to all who have long suffered under high taxation. And our republic is founded on the principle of the greatest good to the greatest number.



It is probable that even the capital and the labor that are thus temporarily thrown out of business, will in the long run benefit by the increased opportunities and lower expenses of free trade. But even without this, we ought not to continue a harmful policy just because a few would receive a temporary setback; since every change for the better causes some slight loss. This nation should not be ready to admit that it has become so addicted to the drug habit that it is too late to change.

#27.

What will become of the operatives that are thrown out of work by free trade? In the first place, if any are thrown out of work, it will be because the workers in other industries can supply us more cheaply by trade and exchange than the workers in the destroyed industry have been able by actual manufacture. Thus the tariff has been depriving the workers in the other industries of a part of their just profits. If any are thrown out of work, it will



be because we have been supporting them like poor in the almshouses; although they were capable, with no more work than they have been doing, of supporting themselves without burdening us.

But what will become of them? They will enter other trades, which cannot be specifically determined. Suppose that the whole woolen industry is put out of business for the reason that without tariff restrictions we can buy our woollens cheaper than we can make them. Eighty thousand operatives are turned loose on the country. They are but as a drop in the bucket compared with the million of immigrants of working age that annually enter this country and find employment; and our operatives have the advantage of American training and acquaintance with their environment. They, too, can easily find employment.

#28.

Conversely to the Protectionist proposition that free trade would throw men out of work, is the Protectionist proposition that the tariff makes more work. This is one of the supposed benefits of the tariff which we have previously enumerated. Tariffs unquestionably increase work, because they compel us to make what we could otherwise buy. Suppose that you want to buy a dollar blanket, and that your time is worth 25cts. an hour. Without a tariff you



would work four hours to get that blanket. With the recent tariff of 165 percent, the blanket, which is still worth only a dollar, costs you \$2.65. Ten hours and thirty-six minutes' work for an article that would cost you only four hours' work under free trade!

So does the rain that wets the hay on a farm, or the fire that destroys a city. But it cannot supply extra compensation for that extra work. Truly the tariff does increase work. Nevertheless, you may say, this same tariff has given employment to the American operatives who made the blanket. True, but they are consumers, like yourself, of other tariff-taxed articles. If there were no tariff they would be working at some other industry, and each dollar they earned would be buying much more than it does now.

Without a tariff there might be less work to go around; but, with the de-



creased cost of living, each individual would need less employment in order to live as well as he does now. What would probably happen, however, would be that each man would go on working to about the same extent as at present. This would not mean that with the decreased supply of jobs, the strong would get employment and leave no work for the weak. To think so is to overlook the extra purchasing power that each man would under free trade.

To be concrete: It is estimated that at present one quarter of our earnings goes to pay the tariff tribute. Abolish the tariff, and each man, in order to get the same standard of living that he now gets will have to work only three-quarters the time that he does now. Also there will only be three quarters as much work to go around. Thus work and necessity for work will just match, and we shall be as we are now, with the important addition of a daily quarter-of-a-day spare time. But most men will wish to improve their condition by working, instead of loafing, during this quarter-of-a-day. This will have a tendency

to make less men necessary in each industry, and thereby to drive out a quarter of the employees. But we must not forget that those who stay in, will be spending their extra pay in bettering their condition. To meet their extra purchases, new industries will spring up and old industries will have to be enlarged; thus giving plenty of employment, and offsetting the above-mentioned tendency to drive men out of work. Each man who is thus given a job, will have wages to spend and give more men jobs; until, with the final adjustment of equilibrium, free trade will result in the same opportunities for work, with the standard of living increased by one third. Four quarters of our wages will then be at our disposal instead of only three quarters as at present.

The tariff increases work; free trade increases pay. When workingmen are dissatisfied with their condition and go on a strike, it is not because they want more work. It is usually because they want either less work, or more pay, or both. In the same spirit, they should vote for free trade which means both less work and more pay.

#29.

To return to the subject of artificial stimulation of industries. There are still further objections to using the tariff for this purpose, the principal objection being its difficulty of administration.

Supposing for the moment that there are some trades which should be aided, who is to pick them out? If the aid is to be scrambled for, we may be sure that the right ones will not win, but rather those which have the most cheek, or push, or pull. And even if the right ones could be picked out, the tariff could only aid those trades that have foreign competition. Is it fair to adopt a system of governmental aid that is, for this reason, so certain to be discriminatory?

#30.

To argue that aid to a few will bring good times all round is unsound. True, if a valuable meteorite were to drop on one man's land, the whole community would be enriched by his good fortune. But when tariff aid drops on one man's business the case is different, for the meteor is clear gain for the community,



whereas the tariff aid costs the community in taxation the whole extent of its value. The bounty comes out of the pockets of all of us in increased prices. To assert that tariff bounties benefit the whole community is no less absurd than to assert that the whole community would be benefited by being taxed in order that the tax money be presented to one or two chosen citizens to spend in the community, for that is exactly what the tariff amounts to.

#31.

But, even supposing that we could frame a tariff bill which, by fair distribution, would aid all equally, there still remains the fact, as we have seen under the discussion of the revenue tariff, that a tariff tax is certain from its nature to be levied unfairly, unequally and contrary to all principles of political economy.

#32.

And, even supposing that such a tax could be fairly levied as well as fairly distributed, we should merely be moving in a circle, with no gain, and with the loss and inconvenience of collection and distribution. This fact makes it plain that ordinarily the tariff is robbing Peter to subsidize Paul.

Thus, a high tariff for the purpose of artificially stimulating business, is



seen to be: (a) not the way to accomplish the object; (b) unnecessary to the extent that the object is good; (c) not a good object to the extent that the means are unnecessary; (d) unworkable, and (e) even if workable, barren of any results except expense of operation.

#33.

But, the advocates of a restrictive high tariff urge, the artificial stimulation of a lot of unnatural industries will make our country independent of other nations. This argument, however, is vulnerable to a very simple reductio ad absurdum. An individual who wished to be "independent" could doubtless shut himself off from all dealings with others, and, by dint of great efforts, satisfy all his own needs. But his



work would not bring him a fraction of what it would bring by exchanges if devoted to a few lines in which he was apt. The "independent" stage of individuals and nations has been outgrown with the advance of civilization. Nowadays, the way to be truly independent is not to struggle along by oneself, filling one's wants in a clumsy and incomplete manner, but rather to devote one's energies to the most adapted occupation, so as to be in a position to command the best that the rest of the world can produce. The way to make our nation truly independent is to increase the purchasing power of our money by throwing open to ourselves the markets of the world, and to increase our wages by engaging only in naturally profitable lines of work.

#34.

Very similar to the high tariff plea for independence is the plea for a "home market." The idea is that we ought to be forced by law to spend our money in our own country, so as not to enrich foreigners at the expense of our own people. This sophistry is founded on the balance-of-trade fallacy, which will be discussed in the next paragraph. "Home market" is a catch phrase like "protection." Its patriotic sounding name is used to hide its true meaning, which is mere miserliness. When we hoard our money we deprive ourselves of the bargains presented by the markets of the world; thus we impoverish ourselves.

#35.

The commercial miserliness of a country has another evil additional to those possessed by the miserliness of an individual, namely, it causes an oversupply of money. Now, money is subject to the same laws of supply and value as any other commodity. The more that there is of it, the less each unit will be worth. An oversupply of money, without a commensurate increase in wages, means High Cost of Living. Thus we see that the tariff increases prices not only by cutting off competition (which

is the same way that the trusts increase prices), but also by its much-vaunted home market. The recent high-cost-of-living investigations, conducted by the friends of the tariff, laid the blame principally to the over-supply of money, thus unwittingly convicting the tariff, which they were seeking to defend.

#36.

We have just referred to the unsound theory of the balance of trade, i. e., that the more a nation exports and the less it imports, the richer it will be. In other words, protectionists believe, it is a gain to send goods out and a loss to bring them in. When exports exceed imports, we are said to have a "favorable" balance of trade. Let us consider this. Into the situation of an excess of exports over imports there may enter two contributing causes: first, bad bargaining, whereby, in individual transactions of barter, more is given than is received; and second, an insistence by our exporters on being paid in money or credit rather than in goods. These two causes are the real matters of concern, of which the balance of trade is merely the significant symptom. Let us then consider each of these, to see whether or not a "favorable" balance of trade is evidence of beneficial conditions.

#37.

As to the first, bad bargaining is, on its face, unprofitable; yet this fact is so obscured by the complications of balance-of-trade calculations, that grave men assert as a principle of economics, that an influx of goods is harmful.



Their attitude is as if a dog were to snarl when a bone was given to him, and wag his tail when the bone was taken away.

#38.

The truth is, that if our imports are not worth more than our exports, we are doing a losing trade. The "flood of foreign goods" about which some persons get so alarmed, is our pay for what the foreigners buy of us. To shut out these goods is merely to decrease our pay. The entry of cheap foreign goods into this country will not "take the bread out of the mouths of our wage-earners." You can lead a horse to water, but you can't make him drink; you can bring foreign goods into this country, but you can't make the American workman buy these goods unless it is

to his advantage to do so. And he will show where his advantage lies, by buying these good whenever by so doing he can save money.

If our chief desire is to have our statistics show a "favorable" balance of trade, the most expeditious way of bringing that about would be to load up our ships with goods, send them out to sea and sink them there. Then we should be sure of getting no imports in return.

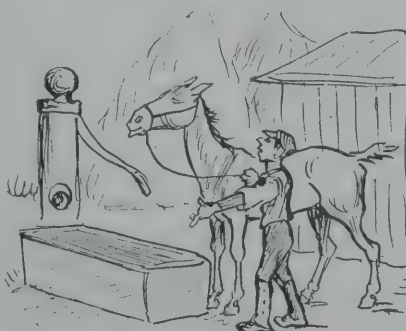
#39.

The other condition that is signalized by a "favorable" balance of trade is the taking of money or some other form of credit in exchange for our exports. To consider this advantageous is a fallacy which owes its existence to the fact that people have so far progressed from the days of actual barter that some of them lose sight of the truth that buying and selling is half of a barter, and that money has no value except to enable its possessor to complete his swap. In the old days, a man who wanted to exchange a cow for a horse would have to find another individual who had a satisfactory horse to dispose of and who wanted just that sort of a cow. Nowadays, the cow can be sold for money, and the barter completed by buying the horse elsewhere. Thus money is seen to be merely a form of credit. No advantage accrues to us by being the creditor nation of the world. Let's cash in our credits, for it is better to have cash (i. e., goods) on hand than to have a lot of accounts receivable.

Part payment in gold accomplishes indirectly what is accomplished directly by driving a losing bargain. Nobody but a miser wants to keep gold. It is the poorest sort of a permanent investment. You cannot eat gold, or wear gold, or cultivate gold. To get any use out of it you must spend it, and the gold obtained by trade must be spent at home at a loss in our price-inflated home market, whereas goods could have been DIRECTLY taken in exchange at a profit. Thus a so-called "favorable" balance of trade is seen to be, in both its phases, merely a synonym for bad bargaining.

#40.

We have now discussed all of the



vaunted benefits of "Protection," and have found them to be non-existent. But even if these benefits existed, they could not be demonstrated to us. We are expected to take them on trust. We are assured that, if we will allow a quarter of our earnings to be taken from us in the form of heavy taxes, we shall reap a benefit in some mysterious way. And we submit blindly to this manipulation of our money by unknown persons, relying on economic sophisms, although we should never think of loaning our money on these terms to any known individual.

Having disposed of all of the supposed benefits of a high tariff, let us now consider the evils. Most of these have already been touched on or foreshadowed in the discussion of the supposed benefits. Hence there will be some repetition; but it is better to have all the evils presented together, while our minds are on that phase of the subject.

#41.

First, let us go back to the fundamental ideas of the protective tariff, namely that a high tax on imports will keep out of this country competing goods that are made more cheaply abroad. In other words, the tariff aims to regulate incoming foreign trade.

What is trade? Trade is exchange and barter on a large scale. Trade is the result of the natural tendency to exchange that which one can produce cheaply, for that which one can't produce cheaply. As blood flows through the veins of a man, so trade flows through the veins of a state or town, and is just as essential to health and growth. It is trade that makes men what they are, and what they have grown to be since the days when they dwelt in trees and caves, and each man sought to meet all his own wants by his own act and skill. In our day, when each man makes but one form of wealth, or even merely some part of that one form, and exchanges what he makes for all the forms of wealth that he needs (i. e. he gets his wage in cash and buys what he wants); he can live what we call a full life, and trade is the blood of that life. The whole trend

of the onward march of civilization is toward a millenium of mutual interdependence.

#42.

Trade is a benefit to all concerned. Trade, when it is fair and just, has gain on both sides of it, for each gets what is of more worth to him than what he gives. Good sense would say, give chief care to those lines in which your work tells for the most, and then trade the goods thus made for things you need but could not make at such low cost. Suppose that A can make a pair of shoes in one day's work, that being the business in which he is trained, but takes two days to make a hat. B, however, being in the hat business, can make a hat in one day, but takes two days to make a pair of shoes. It is evident that an exchange between these two men of a hat for a pair of shoes would mean a profit of 100 per cent. for each. Yet politicians will tell you that a tariff, whose lowering is a benefit to one country, can't help but injure the other, and vice versa. The fact is, that the greater our liberty to exchange what we have for what we want, the greater will be the opportunities for profit in every line of work. Freedom of trade benefits the country that has it as well as the countries that send their goods there.

#43.

Trade, with all its benefits, is what the tariff seeks to hamper and restrict. Nowadays, the public is becoming educated to the advantages of unrestricted trade. We adopt anti-rebate laws because rebates interfere with competition. We adopt anti-monopoly laws, because monopolies are in restraint of trade. We are against the trusts, because they too are in restraint of trade. And we are now preparing to do away with the tariff, realizing that it is the greatest restraint of trade now in existence.

Suppose there is a man who sees fit to trade a horse he does not want for a cow that he does want. What sense would there be in a law which would say to this man: "No, you shall not make such a trade; it is best that you raise your own cow, and let your friend breed a horse of his own"? Yet that is just what the tariff does say to the man, if the cows that he wants are not on his side of the tariff-wall.

#44.

Another name for this tariff-hampered trade is commerce. Some nations may be able to live a life of blissful arca-dian solitude, but in order to make a mark in the world, a nation must excel in commerce. How well do the



United States stand amid the commercial nations? A country that shuts itself off from the world in the mistaken attempt at being independent, will find that it has likewise shut the rest of the world off from it. In the old days, the pirates operated in restraint of trade, and deprived commerce of some of its natural profits. No one thinks of praising Capt. Kidd and his black flag, yet if that thief of the seas were to loot all of the goods on their way to ports where competing goods were made, he would be doing just what the tariff does now.

We all realize the advantages of commerce. Our legislatures vote large sums of money to improve dock facilities, in order that commerce may be extended. We enthuse when new roads are built and new ways found for the growth of trade around the world. We rejoice when any circumstance brings us a new field for our commerce. Let us then vote to give to commerce the greatest stimulus possible, namely by voting to liberate commerce from the restrictions of the tariff.

#45.

We have seen above, that unrestricted trade is the natural state of humanity; and that trade increases as civilization progresses. Conversely, restriction of trade (i. e. the tariff) is unnatural. All of the trouble, disease, and sin of this world is caused by bucking against natural laws. The only way to "master" natural laws to our profit, is to work with them, not against them.

We frequently hear use made of the term "balance of nature." This is a legitimate term, and means the existing nice adjustment of natural laws, playing off against each other, and thus producing equilibrium. When man tampers with this adjustment, instead of making use of it, as it is, he destroys the balance and causes evils to arise, to meet which he must tamper further, and so on. The situation is as if God said: "Since you think that you can run this part of the system

of the universe better than I, I will take my hands off and let you try it."

The tariff starts trouble by interfering with natural economic outgrowth. We erect unnatural barriers between nations and so cause commercial wars, thereby necessitating maximum and minimum schedules, which result in punishing American citizens by increasing our taxation whenever a foreign nation refuses to buy our goods. We drive our commerce off the seas, and then seek to resuscitate it by millions of dollars spent on harbor improvements and subsidies. It is as though we took heart-retarder, and then a dose of accelerant to offset it; the result would be that we should be in the same shape as before, with the exception that we should have weakened both sets of nerves of our heart.

#46.

When society finds that the balance of nature has been upset, the correct move to make is to put nature back in statu quo before it is too late. In some cases it is now too late, but in the case of the tariff we can adopt free trade with the next Congress. The readjustment will cause some damage, but not so much as it would cause if made later, and not near so much as would be caused by a continuance of the unnatural system.

The unnaturalness of the tariff isn't exactly one of the evils of the tariff. It is deeper than that, being the reason for those evils. Instead of trying to remedy the evils individually, we ought to go to the root of the matter and destroy the tariff, which, by its unnaturalness is the cause of them all.

#47.

The disappearance of our merchant-marine is a typical example of the results of destroying the balance of nature. Our unnatural tariff, by destroying our foreign commerce, has thereby destroyed the shipping which would carry that commerce. The tariff even goes farther. Not only does it cut down our commerce, but it discriminates against American ships in the carrying of what little commerce is left. All the things that go to make a ship, from keel to truck, from the wire in her stays to the brass in her log, and all that goes to fit and store her, has to bear the heavy load of tariff taxation. The result of all this is our vanishing merchant marine. Instead of going to the root of the evil and abolishing the tariff, we heap additional burdens on ourselves by means of a ship-subsidy.

(To be continued.)

HYPOTHETICAL PROSPERITY.

(Key Nos. ## 27 and 60.)

By George Brickett.

(Author of Tariff Teachers Cross-Examined.)

Suppose there are in a community only ten men, of whom nine have ten dollars each, while the tenth man, being a dependent, has nothing. The wealth of the community is ninety dollars. Suppose the nine men give one dollar each to the dependent, then the ten men would have nine dollars each. The wealth of the community would still be ninety dollars, but the wealth of nine men would be reduced one dollar each while the wealth of the dependent would be increased nine dollars.

If the dependent should expend the nine dollars in buying the productions of the nine able-bodied men, an innocent man might see in the transactions that the dependent is a benefit to the community, though he is really buying their productions with their own money.

Now let the ten men represent ten industries, namely, carpenter, clerk, teamster, railroad employe, bookkeeper, painter, teacher, retail merchant, day laborer and woolen mill operative. Of these, the woolen industry is the only one mentioned by speakers during a political campaign as an important industry, possibly because it is the only one that begs for help. It is the only dependent of the ten.

By the census of 1900 there were eight times as many carpenters in the United States as there were woolen mill operatives, nine times as many clerks, seven times as many teamsters, eight times as many steam railroad employes, three times as many bookkeepers, three times as many painters, six times as many teachers, eleven times as many retail merchants and thirty-six times as many day laborers. Each one of the nine self-supporting industries contributes to the support of the dependent, the woolen mill. Each one of the nine reduces its wealth while the dependent increases in wealth.

Does the prosperity of the nine men depend upon the cripple? Does the prosperity of the nine industries depend upon the protected one? Protectionists, arguing from the hypothesis that the prosperity of our country is caused by a tariff, have often arrived at the point where they ask: What will become of the operatives if we do not protect them? The question has been asked a hundred times in Congress. It is a confession that they are now supported at the expense of other industries, and a very proper answer is the nine times more important question: What will become of nine men, or nine industries, who support a beggar, if the beggar should die?

PATERNALISM AND PROTECTION.

(Key No. #16.)

The protective tariff is a plan for promoting industry by delegating the public taxing power by indirection to selected or favored persons, to increase their profits at home above what a free market would allow. It is explained or excused on the ground that such delegated public taxes will be used by the beneficiaries in paying higher wages than they otherwise would. In this way the paternal protection of the people by the government is to be carried out by the immediate tariff tax gatherers. THE PATERNAL GOVERNMENT THUS BECOMES RESPONSIBLE FOR WAGES AND FOR BUSINESS PROFITS. These taxes, by indirection, have the merit of not being recognized by the consumers or taxpayers. It is a way to pluck the public goose so as to get the most feathers with the least squacking. The protective system has built up a feudal system of retainers and defenders of the government and creates a government financed by its beneficiaries. This feudal system, like the extinct European feudal system, has grown too strong and grasping for the full tolerance of the government machine it made. Therefore, the "Trusts," as these feudatories are called, are now sought to be limited in their power by the party that created them and that they controlled for so long absolutely. It is just like the history of feudalism in Europe. The nobility there supported and cared for the king and central government until they grew to be its great dictators and a menace to it. Whereupon king and council after king and council struggled with them until their power was destroyed. The feudal nobles really did care for and protect the people in their districts until the inevitable decay of that system changed the feudal lords from protectors to oppressors. All such governments contain the seeds of their own destruction.

The decay and death of such governments is due to the certain ultimate effects of paternalism on the people. All societies are made up of human units. The strength of all societies is determined by the aggregate strength of the individual human units composing it.

Paternalism and protection of all kinds diminishes the initiative, personal responsibility and character strength of the individual human unit. Such qualities are left unused or only partly used and, therefore, like any quality, muscle or function of man, atrophy and decay by non use. All such governments, strong in form, become weak in fact, through the weakened self-reliance of the human units composing them.—Abbot Kinney.

TARIFF ON SUGAR.

John Arbuckle, the sugar refiner and coffee manufacturer, recently attacked the tariff on raw sugar. Mr. Arbuckle made the following statement:

"I have not been well, am going abroad to rest and recuperate in preparation for the fight to be made in Congress at its next session for free sugar. I propose to devote all my time and ability to the abolition of all import duties on raw sugar, a most wicked tax on a food necessity of all our people. It taxes the man who works for a wage of \$1 a day as much as it taxes an Astor or Morgan or Mr. Rockefeller.

"Just look at these figures, showing how the prices of refined sugar to the consumer, are made up. I disregard the abnormal price lately prevailing for the raw product and take a normal price:

"Price paid by New York refiners for raw sugar, 2.4 cents.

"Duty per pound, 1.685 cents.

"With the raw sugar costing the refiner 4.085 cents per pound, his price to wholesale grocers for granulated sugar is about 4.90 cents per pound and the wholesale grocers net price to the New York retail grocers per pound is about 4.95 cents and the retail grocers price to consumers were between 5.15 and 5.25 cents per pound. So that if for every pound of sugar going into a household in New York city at 3.25 cents per pound the government of the United States has exacted 1.685 cents, or almost one-third of the total price. It means that every household that now buys three and one-half pounds of sugar could with the same money buy five and one-quarter pounds if this tax were removed.

"As some one has said, sugar is the comfort of old age and the delight of youth, your Uncle Sam is engaged in taking candy from children, the height of meanness. The duty on raw sugar is 78 per cent. of its value.

"You will be surprised to compare this import duty with others:

Name.	Duty.
Sugar	78.7 per cent.
Champagne	70 per cent.
Automobiles	45 per cent.
Diamonds	10 per cent.
Pearls	20 per cent.
Furs	50 per cent."

The Protectionist theory appears plain common sense to persons thoroughly ignorant of the subject.

John Stuart Mill.

"Political economists have pretty generally agreed that protection is vicious in theory and harmful in practice."—Theodore Roosevelt.

Brief for Free Trade

The following is a continuance of the abstract of the Tariff Argument for Debaters which its author has prepared, with citations and references with which to amplify it. The argument is intended to contain, in the most concise form possible, an orderly exposition of every point that is likely to arise in a debate on the tariff. This brief is intended to enable a debater to get further light upon any subheads on which the discussion in his particular dispute may happen particularly to concern itself.

It is evident that this bibliography cannot be even approximately complete. But we aim to improve it continually. With this aim in view, we request each of our readers to send us additional citations, which we are printing as addenda in this and succeeding numbers of the Broadside. This request is directed particularly, though not exclusively, to debaters who make use of this argument. We also hope that these debaters will send us copies of their own briefs, with citations, and newspaper reports of their debates.

The American Free Trade League aims at reciprocity between the League and whoever may be interested in tariff material. Hence the above request. Hence likewise the willingness of the League's central office to furnish personal help to debaters and political candidates. Correspondence is invited.

Many of the following citations are from publications of the League, which can be obtained from headquarters. See the price list printed in the Broadside. Many of the remaining citations we expect to reprint in the Broadside, so as to place them within easy popular reach. Also the table of additional citations, with key-number cross-references to this original table, will be made a permanent feature in the Broadside. The result will be that the Tariff Argument for Debaters, supplemented by the Broadside and the other publications of the League, will constitute an ever up-to-date encyclopaedia of the tariff, and thus be one of the most complete and exhaustive works on economics ever published.

THE BRIEF.

(Continued.)

- #26. How about the destruction of tariff-fostered industries?
Argument, ##52 and 60.
Brickett, pp. 34-36.
Hog Book, pp. 5-6.
- #27. What of the men thrown out of work?
Brickett, pp. 37-40, and 69-73.
Broadside, Vol. IV., No. 1, p.
- #28. The tariff causes additional work without additional compensation.
Brickett, pp. 42-43.
Broadside, Vol. III., No. 2, p. 8.
Hog Book, pp. 35 and 80.
Protection or Free Trade, pp. 205-206.
- #29. Stimulation by the tariff can't be distributed with with discrimination.
Argument, #60.
Hog Book, pp. 23 and 56.
The Passing, pp. 83 and 89.
- #30. Stimulation of a few does not bring good times.
Brickett, pp. 40-41.
Hog Book, pp. 33-34.
- #31. Even if fairly distributed, it can't be fairly collected.
Argument, ##6 and 9.
- #32. Even if fairly collected as well, you merely move in a circle.
Hog Book, pp. 34-35, and 57.
- #33. The "independence" caused by the tariff, is not desirable.
Argument, ##41 and 49.
Hog Book, p. 22.
- #34. "Home market" is merely miserliness.
- #35. "Home market" increases the gold-supply, thus causing high prices.
- #36. The dual significance of a "favorable" balance of trade.
- #37. Disadvantages of bad bargains.
Hog Book, pp. 39-41.
- #38. Advantages of a "flood of foreign goods."
Brickett, pp. 70-71.
Hog Book, p. 19.
- #39. Disadvantages of importing credit instead of goods.
Hog Book, pp. 41-44.
Protection or Free Trade, pp. 207-208.
- #40. Protection operates in the dark.
Argument, ##8, 9 & 10.
Brickett, pp. 90-94.
Broadside, Vol. III., No. 2, p.
Taylor, p. 69.
- #41. Definition of Trade.
Argument, ##1 and 33.
Hog Book, p. 21.
- #42. Trade benefits both sides of the bargain.
Hog Book, pp. 40 & 46-48.
Baskett, pp. 3, 13.
- #43. The tariff is "restraint of trade."
Hog Book, p. 22.
Protection or Free Trade, p. 205.
- #44. Destroys commerce.
Hog Book, p. 16.
- #45. Unnatural.
Argument, ##41, 47, 48 and 64.
- #46. We should restore the balance before more evils result.
Argument, #26.
- #47. The tariff necessitates shipsubsidies.
Hog Book, p. 67.

ADDITIONAL CITATIONS

- # 4. A wasteful system of taxation.
Broadside, Vol. IV, No. 1, p.
- # 5. Unwarrantably confiscatory.
The Passing, pp. 82 and 89.
- # 7. A tax on necessities, which is bad public policy.
Broadside, Vol. IV, No. 1, p.
Ehrich's Cobden Address, p. 1.
- # 8. A very indirect tax, therefore the voters feel no responsibility.
Ehrich's Cobden Address, p. 5
- #10. Insincere, being a mask for protection.
Broadside, Vol. III, No. 2, p. 2, col. 1; p. 4, col. 2.
Broadside, Vol. IV, No. 1, p.
- #11. Always danger of tariff tinkering and a return to high tariffs.
Ehrich's Cobden Address, p. 5.
- #12. How else to raise revenues?
Franklin and Freedom, p. 2.
- #13. Definition of Protective Tariff.
Franklin and Freedom, p. 2.
- #14. "Protection," a catch-word.
Argument, #61.
- #15. The workers do not need protection.
The Passing, p. 113.
- #16. The tariff does not maintain high wages.
Taylor, pp. 69 and 70.
- #17. Wages should be measured by their purchasing power.
Fruits of Protection, Sec. 8.
- #18. Statistics do not show even the coincidence of high tariff and even high money wages.
Broadside, Vol III, No. 2, p. 13, col. 2.
Fruits of Protection, Secs. 7 and 8.
- #19. High wages are not a burden to the employer.
Redfield.
Fruits of Protection, p. 3.
- #20. Tariff not the best form of artificial stimulation.
Subsidies and Protective Superstition, League 2c. pamphlet.
- #21. Artificial stimulation of beneficial trades not necessary.
Franklin and Freedom, p. 2.
- #22. Merely enables them to give

bargains to foreigners at our expense.

The Passing, Chap. IV.

Fruits of Protection, Secs. 14-16.

Taylor, p. 64.

#23. And is likely to be harmful even to themselves.

Broadside, Vol. IV, No. 1, p.

#24. Not a good object in the case of unnatural industries.

The Passing, pp. 113-114, 138-139.

Franklin and Freedom, p. 2.

(References: "Argument," A Tariff Argument for Debaters, accompanying this Brief; the references are to that part of the Argument which corresponds to the designated # of the Brief. "Baskett," The Real Meaning of Protection, by B. C. Baskett, Sec'y of the International Free Trade League, obtainable of the American Free Trade League for 10c.; "Brickett," Tariff Teachers Cross Examined, by George Brickett, obtainable of the American Free Trade League for 10c.; "Broadside," The Free Trade Broadside, quarterly publication of the American Free Trade League, 25c. a year; "Ehrich's Cobden Address," obtainable of the American Free Trade League for 2c.; "Franklin and Freedom," a pamphlet by Joseph Fels, obtainable of Daniel Kiefer, 530 Walnut St., Cincinnati, O.; "Fruits of Protection," by J. A. Hobson, obtainable of the American Free Trade League for 2c.; "Hog Book," The Whole-Hog Book, by J. W. Bengough, obtainable of the American Free Trade League for 15c.; "Mill," John Stuart Mill in Political Economy; "The Passing of the Tariff," by Raymond L. Bridgman, Sherman, French & Co.; "Protection or Free Trade," by H. W. Furber, being a collection of articles on the tariff by the most eminent political economists and statesmen, now out of print but obtainable at most public libraries; "Redfield," Was the President Right, a speech by Congressman William C. Redfield; "Taylor," Elements of Taxation, by Newton M. Taylor, Equity Series, 1520 Chestnut St., Philadelphia, price 25c.)

HIS OWN EPITAPH.

"Despite our yearning hopes, we cannot, in our groping darkness, be sure that the self-conscious spirits of the dead live on. Yet to the sensitive, spiritualized ear, tender, moving voices speak and will speak evermore from the grave of every noble-hearted soul. These are the unseen, yet mighty influences which urge on the living to supplement the work of the heroic dead."—Louis R. Ehrich, in his Cobden address.

Cleveland's Views

(A Typical Extract from His Famous Annual Message of December, 1887, Devoted Wholly to a Demand for a Lower Tariff.)

The farmer and the agriculturist, who manufacture nothing, but who pay the increased price which the tariff imposes upon every agricultural implement, upon all he wears, and upon all he uses and owns, except the increase of his flocks and herds and such things as his husbandry produces from the soil, is invited to aid in maintaining the present situation, and he is told that a high duty on imported wool is necessary for the benefit of those who have sheep to shear, in order that the price of their wool may be increased. They, of course, are not reminded that the farmer who has no sheep is by this scheme obliged, in his purchases of clothing and woolen goods, to pay a tribute to his fellow-farmer as well as to the manufacturer and merchant; nor is any mention made of the fact that the sheep owners themselves and their households must wear clothing and use other articles manufactured from the wool they sell at tariff prices, and thus as consumers must return their share of this increased price to the tradesman.

I think it may be fairly assumed that a large proportion of the sheep owned by the farmers throughout the country are found in small flocks, numbering from twenty-five to fifty. The duty on the grade of imported wool which these sheep yield is ten cents each pound if of the value of thirty cents or less, and twelve cents if of the value of more than thirty cents. If the liberal estimate of six pounds be allowed for each fleece, the duty thereon would be sixty or seventy-two cents; and this may be taken as the utmost enhancement of its price to the farmer by reason of this duty. Eighteen dollars would thus represent the increased price of the wool from twenty-five sheep and \$36 that from the wool of fifty sheep; and at present values this addition would amount to about one-third of its price. If upon its sale the farmer receives this or a less tariff profit, the wool leaves his hands charged with precisely that sum, which in all its changes will adhere to it until it reaches the consumer. When manufactured into cloth and other goods and material for use, its cost is not only increased to the extent of the farmer's tariff profit, but a further sum has been added for the benefit of the manufacturer under the operation of other tariff laws. In the meantime, the day arrives when the farmer finds it necessary to purchase woolen goods and material to clothe himself and family for the winter. When he faces the

tradesman for that purpose, he discovers that he is obliged not only to return in the way of increased prices his tariff profit on the wool he sold, and which then perhaps lies before him in manufactured form, but that he must add a considerable sum thereto to meet a further increase in cost caused by a tariff duty on the manufacture. Thus in the end he is aroused to the fact that he has paid upon a moderate purchase, as a result of the tariff scheme, which when he sold his wool seemed so profitable, an increase in price more than sufficient to sweep away all the tariff profit he received upon the wool he produced and sold.

EQUALIZING THE COST OF LABOR.

(Key No. #19.)

We hear a lot about equalizing the cost of production at home and abroad. The Protectionists tell us that the fact that American wages are higher than foreign wages, imposes a burden on American manufacturers, which requires a tariff to relieve it. Now the Broadside has always contended that the high wages paid here make it cheaper for the American manufacturer. The following finding of the tariff-board bears us out:

The productive efficiency per one-man-hour for machine operatives and machines in the scouring, carding, combing, drawing and spinning departments, with 168 separate labor costs per pound, show wide differences in efficiency and cost, but indicate in general that the lowest labor costs per pound were in mills paying the highest wages.

Thus may we summarize the findings of the board. How long will it take the protectionists to get it through their heads that the wage-burden on the manufacturer should be measured in terms of the labor cost per article produced, rather than in terms of the wage-rate, and that the highest paid laborers turn out the most and best work at the least cost to their employer?

The manufacturers who pay liberally do not need protection. The manufacturers who pay starvation wages do need protection, but the kind of protection that they need is some sound advice, namely that they decrease their cost of production by increasing their wages.

Current Press Opinions on the Tariff

MASSACHUSETTS.

The Republican party, flushed with prospective victory, met in State convention in Boston, and its leaders, unmindful wholly of the lesson of last year's defeat on national issues, unmindful of the divisions of the party in this State on national issues, enunciated a platform that was Bourbon and reactionary in almost every detail. This platform, which consisted almost wholly of an attack upon the Democratic tariff bills and a calamity picture of the disaster that would overcome Massachusetts in case these bills had become law, threw a wet blanket upon the independent voters of the State, and indeed upon the party itself. The petite declaration in one part of the platform for revision downward on schedules grown useless and antiquated was enough to have saved the party if that section had been emphasized during the campaign, but not a single Republican orator or organ of the party took up this note. Their war cry was, "Massachusetts mills will close if the Democratic tariff prevails," and this war cry rang from every stump.

How many thousand independent voters of Massachusetts were thoroughly disheartened with this Republican campaign no one can tell. Certainly it drove a great many of these citizens to vote for Foss directly; it drove many others to stay away from the polls wholly; it drove a few to refuse to vote on the governorship at all. The failure of the Frothingham vote to rise to its regular Republican proportions in the independent Republican centres, such as Ward 11 in Boston, Brookline, Cambridge, Springfield and other sections, is only too plain a proof of the futility of the national issue campaign cry.

The industries of Massachusetts are too well and intelligently built up and administered to need unjust protection, and that is what voters thought the Republican pleaders meant to ask. These orators asked the voters to look to the immediate past on this tariff question, while the voters either looked a little further back of the Underwood Bill to the Payne-Aldrich Bill or looked ahead to the Tariff Board report. We prefer to look ahead and to believe that the Tariff Board report will do much to settle the controversy on this question. It would have made all the difference if the Republican spokesmen had emphasized these two planks in the platform, revision downward and the Tariff Board's report.

Nor did the tariff issue prove a winning one in the various towns and cities where it was meant to be exerted most. New Bedford was practically

the only mill city in the State that showed great fear of closed mills, while the vote in Lawrence, Lowell, Chicopee and Holyoke was thoroughly disappointing. Even in the shoe cities, in which the argument of free shoes was used extensively, the result was not at all what was looked for. Brockton, which the Republicans confidently hoped to carry, went for Foss by almost as high a figure as it did before. The totals of these cities make an interesting judgment. In the textile cities and towns of Adams, North Adams, Chicopee, Fall River, Fitchburg, Lawrence, Lowell, Maynard, Holyoke, New Bedford, Pittsfield, Taunton, Waltham and Worcester the vote for Draper and Foss in 1910 was as follows: Draper, 37,963; Foss, 47,345. In 1911, for Foss, 49,340; Frothingham, 41,915. Excluding Worcester, in order to be fair, for Worcester is more a general manufacturing than a textile city and gave Foss a net gain, the total in these cities are, 1910: Draper, 29,437; Foss, 38,123; 1911: Frothingham, 33,676; Foss, 39,185. This is a net Frothingham gain of about 3,000, or a percentage of about 10.1-2 per cent., or almost exactly the Republican gain throughout the State, showing that these textile centres were as a whole unmoved by this appeal. This is an amazing showing, but fully bears out the forecast of intelligent political observers.

In the shoe cities and towns of Avon, Abington, Beverly, Brockton, Haverhill, Lynn, Hudson, Marlboro, Newburyport, Salem, Rockland and Whitman, the total for Draper in 1910 was 17,910; Foss, 21,123. In 1911, for Foss, 21,694; Frothingham, 20,034. In other words, Foss actually received more votes than he did last year. In percentages Frothingham gained 10 per cent. and Foss gained 4 per cent., leaving a net gain of 6 per cent. Had the whole State showed the same ratio of gain as the shoe cities, Mr. Foss would have had in Massachusetts over 12,000 instead of 8,000 plurality. This is the answer of the shoe cities to the threat of closed shoe factories as a result of the passage of the farmers' free list bill, which included free shoes.—Boston Transcript.

RECIPROCITY WITH LATIN AMERICA.

The American is deeply gratified at the widespread national and international approval which has met its suggestion of general reciprocity treaties with other nations.

Since the original reciprocity interview was given out by Mr. Hearst in London, the President of the United

States and the Secretary of State have expressed themselves in terms of approval.

Champ Clark, the Speaker of the House of Representatives, is emphatic in indorsement. The German Ambassador at Washington has approved the idea, and the Minister from Argentina and the Minister from Brazil have heartily concurred. Nicholas Murray Butler, president of Columbia University, just returned from his interchangeable occupancy of a professional chair in the University of Berlin, brings assurance of a cordial feeling among the German people in favor of the general plan.

Especially does the plan for general trade compacts among the nations of the western hemisphere commend itself to our own people as well as to the Latin-American States. The whole spirit of the open sessions of the recent Pan-American Congress at Washington breathed the enthusiastic desire of our sister Republics in Central and South America to enter upon closer commercial relations with the United States.

John Barrett, director-general of the Pan-American Union, has become an evangel of these reciprocal treaties with the Latin-American republics. Every possible suggestion of mutual profit and of mutual good will pleads for it. We are as one with our South and Central American neighbors in the possession and development of this hemisphere, and it is to the last degree desirable that we should bring our trade relations to a definite and friendly basis, clearly understood and mutually satisfactory. This will not only enhance the practical prosperity of the parties to these treaties, but it will solidify the good will between the Pan-American States, remove suspicion and misunderstanding, and promote friendship, and become a practical adjunct to universal peace.

And not only with our neighbors of the South and with our great and good friend Germany should we seek freer interchange, but the principle of reciprocity should also be extended to many other countries in Europe, in the Orient and in the islands of the sea.

Consider, for example, Norway and Sweden, whose vast forests and unlimited lumber supply are of tremendous interest to our people, seeing that in 1910 we imported from these countries more than \$4,000,000 in wood pulp alone.

To every full-grown nation that has rational intelligence and is not afraid of being gobbled up and lost by a friendly overture of trade the United States should extend the proffer of a reciprocal trade agreement. Canada

should be given ample time to repent and to grow up. Meanwhile the whole world is crying out for freer trade relations.

America has much that the whole world wants. And American fields will grow more fertile, its mills will be busier and its silent shipyards will resound again with the hammers of ship-builders if the coming Congress will strike off our commercial chains.

Through the gates of a reasonable international reciprocity we shall arrive at a protection that really protects.—Boston American.

A MISTAKEN APPEAL.

Having sought a verdict on national issues, the Republicans must now abide the decision with whatever composure they can muster. They appealed to the old-time protectionist sentiment; the President himself, in his Beverly speech, plainly asked Massachusetts to elect the Republican ticket on the ground that Democratic tariff revision would imperil Massachusetts industries. The answer is disconcerting. It means, Mr. President, that Massachusetts can no longer be moved by such an appeal. Revision of the tariff was coming; and now it is coming more surely than before this election was held. Massachusetts holds the President in high esteem and his administration has gained by far more approval here than in some other sections of the country. But the special appeal to national issues was a mistake; the argument that Democratic revision meant industrial ruin was a blunder.—Springfield Republican.

INJURES BENEFICIARIES.

(Key No. #23.)

Mr. Walter H. Langshaw, head of the Dartmouth Mills in New Bedford, is one of the most successful cotton manufacturers in the world. His rise has challenged the attention of all men who know his history and the history of his enterprise. He is the master of whatever effects his business, and the tariff on cotton effects all cotton manufacturers.

There is, therefore, no higher authority upon the effect of the tariff on cotton manufacturing than Mr. Langshaw. Mr. Langshaw's opinion on this question would certainly be without prejudice against his own business and without prejudice against the Republican party, of which he is a member, and without prejudice against the theory of protection, in which he is a believer.

This is what Mr. Langshaw says concerning the Payne-Aldrich tariff bill passed by the recent stand-pat Congress and approved by President Taft:

"The Payne-Aldrich bill, with its in-

creased duties on high-grade cotton goods, has been the cause of an unnatural and unhealthy expansion of cotton manufacturing in Massachusetts. The effect upon the employes already upon the ground has been unfavorable because practically all the employes of the new mills have been imported and their presence in the country in connection with overproduction into the labor market."

Mr. Langshaw said during the campaign that the defeat of Mr. Frothingham was the only thing needed to put the industry in the way of an early recovery and establish it upon a permanently healthy footing.

"A gradual and impartial reduction of the tariff all along the line is absolutely indispensable," he declared, "and this can never be brought about except by the overthrow of the corrupt trading combine which now dominates the Republican party. The Democratic success in Massachusetts this year would almost immediately bring that result about, and then a general reduction of the tariff upon fair lines, free from favoritism and log-rolling, would soon be accomplished."

Mr. Langshaw declares that the great evil of excessive production is that it leads to economic waste. The hunger for tariff graft incites men to rush into business protected by an excessive tariff who are not fitted to conduct it upon the most skilful and business-like methods. The consequence is that it costs more to produce cotton goods than it ought to cost, and the working people have to pay the penalty.

The net result of the high protective tariff is thus not protection to the American workingmen from the competition of goods made by cheap foreign labor, but actual exposure of the working people in the cotton factories to the direct competition of foreign labor which is imported here to take the places of those who already here.

The general result is that the community pays a higher price for its cotton goods and has in its midst a body of working people whose standard of living is lower than the American standard, an evil of great significance to us all.

Mr. Langshaw's Dartmouth mills have paid a larger profit than any other cotton factories in Massachusetts. Governor Foss has invested a large part of his great fortune in a new cotton mill at East Boston. Does anybody believe that these two men want to hurt their own business?

REVENUE TARIFF.

Tariff duties, even for revenue only, are not sacred or inviolable with me. Such duties levy indirect taxes—that

is, taxes on consumption, which entirely disregard equality of taxation and the benefits of government. Under that system of taxation the ordinary man, paying upon what he consumes, upon what he eats and wears and uses, with his comparatively small need of governmental protection, pays as much in taxes as the man of wealth, with his thousands worth of property and his multiplied needs of protection for it by the government. In the main the vast fortunes of corporations wholly escape such taxation. Of the hundreds of millions of dollars which are collected in taxes each year at the custom houses the poor and the middle classes necessarily bear the burden in what they eat and wear and use. Tariff taxation curtails or destroys the advantage of buying in the cheapest and selling in the dearest markets of the world. This indirect taxation, moreover, hoards money in the treasury and is directly responsible for much of the inexcusable and profligate expenditures on the part of the federal government, expenditures which would not be tolerated if the people were not unconscious of the tax burden they are bearing. When, therefore, it was proposed to cheapen agricultural implements, bagging and twine, wire for fencing and baling, boots and shoes, harness, saddles and saddlery, lumber for homes, meats, flour, meal and cereals, by taking off the taxes, I did not hesitate to support the measure, for to me it is the democratic doctrine of untaxed necessities of life. Nor was I deterred by the suggestion that the federal revenue and income would thereby be decreased. Federal expenditures are already excessive, and they should be promptly and materially reduced. The property and wealth of the land which is responsible for the expensive machinery of government to protect and safeguard it, not the food and clothing and homes and other necessities, should, through corporation and income taxes, meet any deficit which would result from such enactments as this.—Senator Culberson.

Economics are full of results which contradict the first impression of the ignorant. To a person wholly uneducated, it would no doubt seem reasonable to cure poverty by the manufacture and distribution of five pound notes. And what more plausible than the theory that to enrich the country it is only necessary to arrange for large importations of metallic money? The difficulty of opposing primitive ideas with their extreme plausibility is experienced not only in economics, but in every science; and not only at the present time, but at all times. That the sun goes round the earth once every twenty-four hours seems so obvious that Galileo became very unpopular when he denied it.

Hugh S. R. Elliot.

Tariff Publications

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The Fruits of American Protection.

1906. John A. Hobson.

Free Trade vs. Revenue Tariff.

1911. Louis R. Ehrich.

The American Wage Standard.

1911. Hon. William C. Redfield.

(A Congressional Speech.)

The Wool Schedule.

1911. Hon. Henry George, Jr.

(A Congressional Speech.)

The Cotton Schedule.

(A Congressional Speech.)

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Free Trade Broadside, Bound Volume, 17 numbers, \$2.

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"Tariff Teachers Cross-Examined." By George Brickett. Price, 10 cents.

THE REAL MEANING.

A new work on political economy ought to do one of three things; (1) collect and summarize a topic; (2) supply new material and statistics to support or refute existing theories; or (3) propose new theories and points of view on old questions.

The "Argument for Debaters," now running in the Broadside, is a consistent attempt at collecting and summarizing the tariff theories. The Broadside itself aims to keep abreast of the times with up-to-date material. The Free Trader, of England, is doing this even better. Other current journals help to fill this field of endeavor.

Very recently there have been several noteworthy examples of the third class above mentioned. One is a pamphlet by B. G. M. Baskett, Secretary of the International Free Trade League, entitled "The Real Meaning of Protection." A few copies of this pamphlet are to be had of the American Free Trade League at 10 cents each.

Mr. Baskett, as the author of a monograph should, takes a single viewpoint in his treatment of the subject. And this viewpoint is a new one, which might be termed: "The Individual vs. Abstractions." Protectionists are fond of leaving the open fields of facts and concrete arguments, where they are no match for the cold logic of the tariff abolitionists, and of taking refuge in the trackless undergrowth of abstract phraseology. Catch-words are their surest snares for the unwary.

Mr. Baskett does economics a service by exposing a certain related group of these snares. The nation, he tells us, is not distinct from the individuals that compose it. How, then, can a nation benefit from a system which puts a tax burden on a hundred individual citizens, for every one that it subsidizes.

A trade is composed of individuals. Protection benefits, not the whole trade, but the trader who owns it. Let us get away from the fallacy of thinking that we can benefit trades and nations by injuring their constituent parts; and let us get back to the old Anglo-Saxon principle of the greatest good for the greatest number.

"My Story," by Tom L. Johnson, illustrated. Price \$2.00; by mail 20 cents extra.

"The Tariff in Our Times," by Ida M. Tarbell, one of our Vice-Presidents, is an interesting historical work. It will be fully reviewed in our next number. Macmillan Co., Publishers.

"Can we afford to do what foreign paupers can do so well for us?"—Daniel Webster.

Taft's Message

In his message, after referring briefly to the creation of the Tariff Board, President Taft says:

"In my message of Aug. 17, 1911, accompanying the veto of the wool bill, I said that, in my judgment, schedule K should be revised and the rates reduced. My message was based on the grounds that the Tariff Board would make, in December, a detailed report on wool and wool manufacturers, with special reference to the relation of the existing rates of duties to relative costs here and abroad. Public policy and a fair regard to the interests of the producers and the manufacturers on the one hand, and of the consumers on the other, demanded that legislation should not be hastily enacted in the absence of such information; that I was not myself possessed at the time of adequate knowledge of the facts to determine whether or not the proposed act was in accord with my pledge to support a fair and reasonable protective policy; that such legislation might prove only temporary and inflict upon a great industry the evils of continued uncertainty.

"I now herewith submit a report of the Tariff Board on schedule K. The board is unanimous in its findings. On the basis of these findings I now recommended that Congress proceed to a consideration of this schedule with a view to its revision and a general reduction of its rates.

"The report shows that the present method of assessing the duty on raw wool—that is, by a specific rate on the grease pound (i. e. unscoured)—operates to exclude wools of high shrinkage in scouring but fine quality from the American market and thereby lessens the range of wools available to the domestic manufacturer; that the duty on scoured wool of thirty-three cents per pound is prohibitory and operates to exclude the importation of clean, low-priced foreign wools of inferior grades, which are nevertheless valuable material for manufacturing and which cannot be imported in the grease because of their heavy shrinkage. Such wools, if imported, might be used to displace the cheap substitutes now in use.

"To make the preceding paragraph a little plainer, take the instance of a hundred pounds of first-class wool imported under the present duty, which is eleven cents a pound. That would make the duty on the hundred pounds \$11. The merchandise part of the wool thus imported is the weight of the wool of this hundred pounds after scouring. If the wool shrinks eighty per cent as some wools do, then the duty in such

a case would amount to \$11 on twenty pounds of scoured. This, of course, would be prohibitory. If the wool shrinks only fifty per cent it would be \$11 on fifty pounds of wool, and this is near to the average of the great bulk of wools that are imported from Australia, which is the principal source of our imported wool.

"These discriminations could be overcome by assessing a duty in ad valorem terms, but this method is open to the objection, first that it increases administrative difficulties and tends to decrease revenue through under valuations; and second, that as prices advance, the ad valorem rate increases the duty per pound at the time when the consumer most needs relief and the producer can best stand competition; while if prices decline the duty is decreased at the time when the consumer is least burdened by the price and the producer most needs protection.

"Another method of meeting the difficulty of taxing the grease pound is to assess a specific duty on grease wool in terms of its scoured content. This obviates the chief evil of the present system, namely, the discrimination due to different shrinkages and thereby tends greatly to equalize the duty. The board reports that this method is feasible in practice and could be administered without great expense. The scoured content of the wool is the basis on which users of wool make their calculations, and a duty of this kind would fit the usages of the trade. One effect of this method of assessment would be that, regardless of the rate of duty, there would be an increase in the supply and variety of wool by making available the American market wools of both low and fine quality now excluded.

"The report shows in detail the difficulties involved in attempting to state in categorical terms the cost of wool production and the great differences in cost as between different regions and different types of wool. It is found, however, that, taking varieties in account, the average cost of production for the whole American clip is higher than the cost in the chief competing country by an amount somewhat less than the present duty.

"The report shows that the duties on Noils, wool wastes and shoddy, which are adjusted to the rate of 33 cents on scoured wool is prohibitory. In general, they are assessed at rates as high as, or higher, than the duties paid on the clean contents of wools actually imported. They should be reduced and so adjusted to the rate on wool as to bear their proper proportion to the real

rate levied on the actual wool imports.

"The duties on many classes of woollen manufacture are prohibitory and greatly in excess of the difference in cost of production here and abroad. This is true of tops, of yarns (with the exception of worsted yarns of a very high grade) and of low and medium grade cloths of heavy weight. On tops up to 52 cents a pound in value, and on yarns of 65 cents in value, the rate is 100 per cent. with correspondingly higher rates for lower values. On cheap and medium grade cloths, the existing rates frequently run to 150 per cent. and on some cheap goods to over 200 per cent. This is largely due to that part of the duty which is levied ostensibly to compensate the manufacturer for the enhanced cost of his raw material due to the duty on wool. As a matter of fact, this compensatory duty, for numerous classes of goods, is much in excess of the amount needed for strict compensation.

"On the other the findings show that the duty which runs to such high ad valorem equivalents are prohibitory, since the goods are not imported, but that the prices of domestic fabrics are not raised by the full amount of duty. On a set of one-yard samples of sixteen English fabrics, which are completely excluded by the present tariff rates, it was found that the total foreign value was \$41.84, the duties which would have been assessed had these fabrics been imported \$76.90, the foreign value plus the amount of the duty \$118.74, or a nominal duty of 183 per cent. In fact, however, practically identical fabrics of domestic make sold at the same time at \$69.75, showing an enhanced price over the foreign market value of but 67 per cent.

"Although these duties do not increase prices of domestic goods by anything like their full amount, it is none the less true that such prohibitive duties eliminate the possibility of foreign competition, even in time of scarcity, that they form a temptation to monopoly and conspiracies to control domestic prices, that they are much in excess of the difference in cost of production here and abroad, and that they should be reduced to a point which accords with this principle.

"The findings of the board show that in this industry the actual manufacturing cost, aside from the question of the price of materials, is much higher in this country than it is abroad, that in the making of yarn and cloth the domestic woollen or worsted manufacturer has in general no advantage in the form of superior machinery or more

efficient labor to offset the higher wages paid in this country. The findings show that the cost of turning wool into yarn in this country is about double that in the leading competing country, and that the cost of turning yarn into cloth is somewhat more than double. Under the protective policy a great industry, involving the welfare of hundreds of thousands of people has been established despite these handicaps. In recommending revision and reduction I therefore urge that action be taken with these facts in mind, to the end that an important and established industry may not be jeopardized.

"The Tariff Board reports that no equitable method has been found to levy purely specific duties on woolen and worsted fabrics and that, excepting for a compensatory duty, the rate must be ad valorem on such manufactures. It is important to realize, however, that no flat ad valorem rate on such fabrics can be made to work fairly and effectively. Any single rate which is high enough to equalize the difference in manufacturing cost at home and abroad on highly finished goods involving such labor would be prohibitory on cheaper goods, in which the labor cost is a smaller proportion of the total value. Conversely, a rate only adequate to equalize this difference on cheaper goods would remove protection from the fine goods manufactured, the increase in which has been one of the striking features of the trade's development in recent years. I therefore recommend that in any revision the importance of a graduated scale of ad valorem duties on cloths be carefully considered and applied.

"I venture to say that no legislative body has ever had presented to it a more complete and exhaustive report than this on so difficult and complicated a subject as the relative costs of wool and woollens the world over. It is a monument to the thoroughness, industry, impartiality, and accuracy of the men engaged in its making. They were chosen from both political parties but have allowed no partisan spirit to prompt or control their inquiries. They are unanimous in their finding. I feel sure that after the report has been printed and studied the value of such a compendium of exact knowledge in respect to this schedule of the tariff will convince all of the wisdom of making such a board permanent in order that it may treat each schedule of the tariff as it has treated this and then keep its bureau of information up to date with current changes in the economic world.

"It is no part of the function of the Tariff Board to propose rates of duty. Their function is merely to present

findings of fact on which rates of duty may be fairly determined in the light of adequate knowledge in accord with the economic policy to be followed. This is what the present report does. The findings of fact by the board show ample reason for the revision downward of schedule K in accord with the protective principle, and present the data as to relative costs and prices from which may be determined what rates will fairly equalize the difference in production costs. I recommend that such revision be proceeded with at once."

IN MEMORIAM.

(Continued from page 2.)

His activities in favor of Free Trade attracted attention not only in the United States, but also abroad. In this country he was chiefly known for his loyal devotion to his position as President of the American Free Trade League. He attained prominence in Europe as delegate to the International Free Trade Congress at London in 1908, and again in Antwerp in 1910.

The Broadside presents this brief biography for the benefit of those who had the misfortune not to be intimately acquainted with Mr. Ehrich, and in closing express our deep sense of loss at the passing of our collaborator.

RESOLUTIONS OF THE AMERICAN FREE TRADE LEAGUE.

At a special meeting of the American Free Trade League, Friday, Oct. 27th, the following resolution was passed in memory of the President, Louis R. Ehrich:

"Just when the American Free Trade League is gathered together for a special meeting to rejoice over the recent rapid progress of our cause and to plan for its further advancement, we are shocked and saddened by the sudden news that our beloved President and fellow-worker is no longer with us.

"Louis R. Ehrich was thoroughly devoted to the work of freeing our trade from the shackles of the tariff. Although an active business man, he showed his true citizenship and steadfastness to civic ideals, by giving unstintingly his time and money to the cause he loved.

"Not only our League, but the whole country and the great world of commerce have lost a patriot.

"It is for us, the living, to be here dedicated to that unfinished task which he has thus far so nobly advanced. Let the memory of our cheerful, unselfish comrade spur us on to the victory for which he labored."

"What is a boomerang, Papa?"

"Well, an excellent example is making a high tariff campaign in a State election."

SOME APT QUOTATIONS.

Collected by Miss Bessie Bainbridge.
(Key #47.)

Mr. Gladstone says:—"Look at what protection has done to the American shipping industry. America has a vast coast line, and on the east, a sea-faring population, men with spirit of adventure, descended from the Pilgrim Fathers, and not afraid to go down to the sea in ships. Forty years ago, before the Americans adopted protection, they did the main part of their carrying trade in their own ships. Who does it today? Britain does it. While American shipping has diminished by something like two-thirds, British shipping has doubled in value, and more than doubled in efficiency and carrying power."

(Key #48.)

Henry Ward Beecher says:—"I reject the doctrine of 'Protection' as opposed not only to the principles of liberty but to the essential principles of Christianity. I regard it as in its very essence anti-Christian and immoral. And the fact that such theories as have been advanced by high protectionists have found so much favor in this country is not creditable to its Christian character. The fundamental doctrine of Christianity is that all men are brethren. The fundamental doctrine of protectionism is that all men are not brethren. Christianity teaches that all men, in all parts of the world, should love each other. Protectionism teaches that all men on one side of an imaginary line should hate, or at least disregard, all who live on the other side of that line."—(Speech, New York, 1883.)

(Key #2.)

Mr. Edward Atkinson says:—"I think the word (tariff) originated from the policy of the pirates in the Mediterranean, who went out from the port of Tarifa to plunder peaceful commerce. They compromised their opportunities for indiscriminate plunder by substituting a fixed rate of compensation on all the merchant vessels that passed by Tarifa, instead of taking the whole cargo, thus making the revenue permanent, and leaving to the merchant enough profit to induce him to continue his commercial enterprise."

(Key #45.)

Voltaire, who broke so many human fetters, says:—"The two pivots of the wealth of a state, be it little or great, are freedom of trade, and freedom of conscience."

THE NEW ARITHMETIC.

Ten mills make one trust.

Ten trusts make one tariff.

Ten tariff schedules make many millionaires.

Many millionaires make one Senate.

Free Trade Broadside

Vol. 4

APRIL, 1912.

No. 2

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Twenty years ago Henry George's "Protection or Free Trade" was printed in the Congressional Record by the cleverness of the late Tom L. Johnson and five other Congressmen, under the "leave to print" privilege during a Congressional debate on wool. Being a part of the Congressional Record, it can be sent through the mails free under the Congressional frank.

In the second presidential campaign between Grover Cleveland and Benjamin Harrison, funds were raised by popular subscription to get out a special edition of this book; and one million sixty-two thousand copies were printed and circulated, contributing materially to the election of President Cleveland and a Democratic House of Representatives.

One of the greatest tariff struggles in the history of the United States is now pending. The people are crying for light on the question of the tariff. In order that history may repeat itself, the Joseph Fels Fund Commission are raising money for another million edition. They are in need of contributions for this. The American Free Trade League has offered the assistance of the columns of the Broadside in helping this movement. We shall be glad to receive contributions in any sums to help defray the cost of printing, and orders for copies in any amount.

This remarkable book has never sold for less than fifty cents a copy; but may now be had at two copies for five cents, printed on good quality paper. This is no cheap pamphlet. We suggest that you send a dollar and get forty copies. Raise as much money as you can and circulate as many copies as possible in your neighborhood. You can give an added aid to circulation by asking your Congressman to send the book out under his own Congressional frank.

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LATIN AMERICA.

Reciprocity will not down. Now that Canada has given the cold shoulder to the United States, chiefly because of the fallacious idea that a bargain cannot benefit both parties thereto, it is remarkable with what speed American attention is turning southward.

We ought to have looked southward before. Here lie some of the most fruitful countries of the world. Already, a few American firms have discovered a splendid market there for American goods, and are carefully keeping this discovery to themselves. Every Peon of the fields, when he rises to the dignity of a pair of suspenders, uses President suspenders. When he gets a little farm of his own and can afford a watch, he buys a Waltham watch. Every machete that he uses (these tools are as indispensable to the Latin American as a pocket knife is to us) is made by a certain Connecticut firm. In the evening in the cities and on the fincas, one can hear floating through the moonlight the sound of a Spanish serenade by a Victor phonograph. Every Latin American apothecary carries a line of Detroit medicines. But apart from these and a few other examples, American business-houses seem totally ignorant of the opportunities open to them.

And then, there are the converse opportunities of trade. The United Fruit Company has risen from a small concern of only a few thousand dollars capital to a millionaire organization by bringing into the United States the fruit products, principally bananas, of Latin America. The best coffee in the world is grown by Latin Americans. Yet Americans do not seem to realize the existence of many food products of

these countries which could be brought into the United States more cheaply than they could be imported from elsewhere or raised here. As a single instance of this may be cited beef, chiefly of Argentine.

These Latin American people combine the culture of old Spain with the progressiveness of America. Years before the landing of the Mayflower at Plymouth Rock, when Massachusetts was still a howling wilderness, the best culture of Europe was already in Latin America. And now, without losing anything of this culture, they have become thoroughly Americanized like ourselves.

Europe is aware of the existence of Latin America. A steady stream of vessels carries their trade to and from Europe. Their rich men are among the leaders of European society. And now at last the United States is beginning to wake up and realize that we have more in common with these people than Europe has, and that we can get their trade if we will treat them fairly.

The newspapers are full of talk about reciprocity with Central America. The Broadside urges that the people take this up; and that, in preparation for commerce with our neighbors, the Spanish language, and more particularly the Andalusian branch of it, be encouraged in our schools. Every possible extension of American trade should be promoted. Let us have Latin American reciprocity.

A NEW PARTY.

A new political party is in contemplation. William J. Gibson, a New York attorney, and an enthusiastic member of our League, is planning the formation of a Free Trade Party, for the purpose of leading members of Congress and Senators, with the end that all tariff laws may be repealed.

Many enthusiasts have in the past created what are known as third parties for the embodiment of a single idea. Single ideas do not go now-a-days in politics. There are too many things interesting the people, for them to lend their support to a party which does not take an equal interest in all the engrossing political topics of the time.

But some of the recent founders of third parties have conceived of a different way of doing things. The great reforms have got by the resolution-passing stage.

Our business men are our leading reformers. And with this change in the general nature of political reform, is coming the practice of organizing third-parties on the basis of endorsing the candidates of major Parties rather than of running tickets of their own. Such is the sensible scheme of Mr. Gibson. The Free Trade Party is to question all candidates of both parties as

to what theory of economics they believe should be followed in the present reduction of the tariff, to which reduction everyone except a few beneficiaries agree. To all candidates who stand for eventual free trade, with the reduction of the tariff toward that end as rapidly as possible, the Free Trade Party will give its hearty support and it wishes Godspeed to Mr. Gibson and his Party.

THE DEMOCRATIC TARIFF BILLS.

The Broadside refuses to state whether or not it approves of the pending Democratic Tariff Bills, over which there seems to be a great dispute throughout the country. As reductions of the tariff and steps toward free trade, they appear to be right in our line; but it is hard for an organization which believes in absolute free trade to tell whether any given step in that direction is made in just the right way. Do not misunderstand us. We are not saying that there can be too rapid a reduction of the tariff on any one industry. We believe that the reduction should be uniform, but we contend that this uniformity should be reached by speeding up the slow reductions to match the rapid ones, rather than by slowing down the rapid reductions so that practically nothing is accomplished.

The Democratic leaders in Congress are on the ground and have made a careful study of the particular schedules which they are attacking. We are sure of our general principle, and we have a sneaking feeling that these same Democratic leaders are sure of pretty much the same general principles that we are. A good many besides us call themselves Free Traders.

One thing at least is certain, if the tariff reduction is not at present uniform, the Democratic Congress can make it so as soon as they get through with their present attack on certain schedules. They seem inclined to "fight it out along this line if it takes all summer."

THE BOSTON DOCKS.

Last year's Massachusetts Legislature authorized the expenditure of nine million dollars for the development of the port of Boston. Evidently the Legislators believe in trade, and believe in doing everything they can to make trade easy. Appropriating money for dock facilities without freeing trade from the shackles of the tariff, is like giving a man strengthening food so as to enable him to run a race with a ball-and-chain tied to his feet.

If it is our policy to destroy trade, why spend all this money for harbor improvements? If, on the other hand, it is our policy to assist trade, why not free it? We do not pause for an answer, as there is none.

Letters to the Press

OUR CORRESPONDENCE WITH THE TRANSCRIPT.

February 16, 1912.

Editor of the Transcript,
Boston, Mass.

Dear Sir:

In your issue of February 9th, is a letter from Winthrop L. Marvin, Secretary of the National Association of Wool Manufacturers, replying to a statement made by Professor Taussig in his Lowell Institute lecture on the tariff as applied to wool and woolen goods. Without wishing to take the space of your paper for a lengthy discussion of this much-discussed subject, yet I cannot resist calling the attention of your readers to the tactics employed by the Association of Wool Manufacturers.

The figures quoted by Mr. Marvin in his reply to Professor Taussig have already been thoroughly discredited by one of our leading statistical authorities, namely, the Wall Street Journal, in April, 1911. In reply to a letter in that paper, Mr. Marvin had sent the identical figures which he now uses in a reply to Professor Taussig. Mr. Marvin added the following words:

"If you had been aware of the existence of the fresh and cogent results of this latest official investigation by the employes of the Wool Association, it is charitable to assume that your editorial attack would never have been penned."

The reply of the Wall Street Journal was as follows:

"What Mr. Marvin finds it 'charitable to assume' is that he is writing to some willingly gulled Congressman, and not to the Wall Street Journal. With the undisguised object of condemning the Wilson tariff of 1894, and extolling the Dingley act, William J. Battison, who compiled the wool report in Volume III of the twelfth census, found pretext for omitting from his summary the statistics of no less than 1,432 establishments, as follows:

Whole number of woolen establishments reporting (p. 75) 2,653

Omitted, for reasons given on pages 76 and 122:

Hosiery and knit goods factories (p. 76)	921
Fur hat factories	171
Shoddy mills	105
Wool scouring plants	25
Educational, eleemosynary and penal establishments. 17	
Wool carding establishments (p. 80)	193

Total establishments omitted 1,432
False number repeated in sum-

mmary of 1911 (p. 2) 1,221

"With the returns thus emasculated, Mr. Marvin's comparisons are hardly worth consideration. On page 94 of Volume III of the census of 1900 it is stated that the consumption of wool in the United States in 1890 was 548,167,332 pounds, and in 1900, 483,865,236 pounds (corrected by Mr. Battison to 523,514,833 pounds). So that if the quantity consumed in 1909 was only 474,751,000 pounds, the woolen industry is manifestly dwindling, as it has been doing for 60 years."

The American Free Trade League cannot understand why the National Association of Wool Manufacturers continues to quote discredited figures, which they know are discredited.

Very truly yours,
ROGER SHERMAN HOAR,
Secretary.

The figures referred to are as follows (we quote from Mr. Marvin):

"I think that you will find some interest in the already published preliminary report of the Federal Census Bureau on woolen and worsted manufacturing. These impartial Federal statisticians show that the amount of wool, foreign and domestic, consumed in American woolen and worsted mills increased from 330,179,000 pounds in 1899 to 474,751,000 pounds in 1909—a gain of 44 per cent; that the use of cotton yarns in woolen mills increased from 35,343,000 pounds to 39,169,000 pounds—a gain of only 11 per cent; that the use of raw cotton in woolen mills decreased from 40,245,000 pounds to 20,055,000 pounds, a falling off of 50 per cent, and a marked lessening of the use of cotton in domestic cotton goods of mixed wool and cotton as a whole; that the use of purchased shoddy decreased from 33,037,000 pounds to 21,554,000 pounds—a falling off of 35 per cent, and that the use of shoddy made in the mills decreased from 35,626,000 pounds to 32,067,000 pounds—a falling off to 10 per cent."

THE TRANSCRIPT REPLIED TO US.

February 17, 1912.

Roger Sherman Hoar, Esq.,

Dear sir: This whole wool question seems to be one of internal controversy, and we do not believe we care to use the enclosed.

Very truly yours,
The Editor.

In other words, the Transcript is perfectly willing to give space for the attempts of a Tariff Beneficiary to down

a Free Trader; but not when the tables are turned, and a Free Trader has the goods on a Tariff Beneficiary. We are sorry that the Transcript permitted Mr. Marvin, and his Association, to use figures which he knew had been discredited and then TO GET AWAY WITH IT.

MISLEADING HIS MOTHER.

March 16, 1912.

To the Editor Ladies' Home Journal,
Curtiss Publishing Co.,
Philadelphia, Pa.

Dear Sir:

I have read with interest the article on the tariff in your series entitled "His Letters To His Mother." I also notice your editorial annotation as follows: "The aim of these 'letters' is to make clear, for the benefit of women, in an impartial way, the great questions that are uppermost in discussion today and vital in their import. These 'letters' are explanatory, pure and simple—not argumentative; and so 'answers' or other 'presentations' of the same subject are not invited and cannot be printed."

It is certainly wise of you to refuse to become involved in any controversies over the views expressed in this series. But, on the other hand, do you not think it would be better to give in connection with these articles, references on disputed points, so that the reader might be able to study further on matters in which there is a clear division of opinion?

For instance, your article on the tariff contains statements which no Protectionist would allow to pass unchallenged and other statements which no Free Trader would allow to pass unchallenged. It is evident that your author intends to be absolutely fair, or he would not thus have attacked the most cherished ideas of both sides, but fairness does not consist in presenting one side of half the phases of a subject and the opposite side of the remaining half. It would be more fair and more instructive to present both points of view, or at least in presenting one point of view to give references to the other.

I wish to congratulate your author on pointing out the clear distinction between a revenue tariff and a protective tariff. This is in line with Key #3 of the American Free Trade League's system of annotation, as printed in the Free Trade Broadside.

I also wish to take exception to the his use of the old protective sophistry of

(Continued, p. 16, col. 3)

The Cost of Protection

By Geo. Brickett, Author of "Tariff Teachers Cross-Examined."

Key #60.

In order to prove arithmetically the cost of protecting an industry it is necessary that every statistic shall be given. The enactment of the Payne tariff and its effect have given us every particular so that the present cost of protecting the hosiery industry may be figured almost exactly.

Representative Payne in his speech before the House, May 12, 1910, gave an extended and exhaustive explanation of the revising of the duty on stockings. He said: "Turning to our books on import duties on stockings we found that of certain grades two-thirds of all the stockings worn by all women and children in the country were made in Germany, although we had the machinery here to make them; we had the factories, we had the skilled young women to do the business, and 30,000 or 40,000 of those young women were walking up and down the streets, working only one-half time." "Well, we raised the duty and we set these girls at work, and no woman has paid one farthing more for her stockings since the law went into effect than she did before." "These girls work full time now." "I would be ashamed to look an honest working woman in the face if I had not stood for that increase of 1.8 cents a pair on stockings."

Representative Payne was chairman of the committee that constructed the Act which was approved August 5, 1909. It had been in effect more than nine months. It had been denounced. There was not a man in the United States more competent than Mr. Payne to speak in defence of a protective tariff, and, in his exposition of past and present conditions of stocking manufacture in this country, he has made the clearest argument for protection possible.

We do not question his statistics. There should be no doubt that the increase of duty on stockings has given work to 40,000 women, more or less. If that fact be the end of study, the student may be excused for being a protectionist. The argument of Mr. Payne should be examined closer.

The tariff of 1897—the Dingley tariff—imposed a duty of 65 cents on a dozen pairs of stockings valued at one dollar or less. This means that Americans who bought German stockings for one dollar per dozen pairs had to pay our government 65 cents, thus making them cost the importer \$1.65. As two-thirds of this grade were imported under the Dingley tariff, it is evident that we paid

\$1.65 for stockings valued at one dollar. It may be proper here to say we are giving manufacturer's price.

By the experience of ten years, it is proved that the duty of 65 cents is not enough to protect fully the sale of American made stockings, for our manufacturers supplied only one-third of our wants. If they could have sold their productions for less than \$1.65 a dozen pairs they would have supplied more of our wants. The conclusion is that under the Dingley tariff all the women and children in the country who wore this grade of stockings paid \$1.65 for goods valued at one dollar.

The Payne tariff increased the duty on this grade from the Dingley rate, 65 cents a dozen to the Payne rate 85 cents. Under the present law the importer of German stockings valued at one dollar, or less, per dozen pairs must pay 85 cents to the government, thus making the cost \$1.85, and, as our manufacturers could supply at \$1.65, the duty 85 cents holds the American market for American manufacturers, that market being the American women and children who buy.

This gives us a basis for figuring the exact cost of protecting the sale of American made stockings. If admitted free German stockings would cost one dollar a dozen pairs and government would not receive revenue. The duty of 85 cents protects the sale of American stockings at \$1.65 and government does not receive revenue. This demonstrates that the exact cost of protecting this grade is 65 cents a dozen pairs today, which price may be advanced to \$1.80 thereby advancing the cost of protection.

Who pays this cost of protecting the sale of American made stockings? All the women and children in the country who wear this grade. The census of 1900 gives the number of female teachers, musicians, laborers, nurses, laundresses, servants, bookkeepers, saleswomen, stenographers, housekeepers, clerks, etc.

	5,319,912
Number of married women	13,813,787
Number of widows	2,717,839
Number of children under 15	
years of age	26,124,985
Total	47,976,523

These are the 47 million women and children who were wearing this grade of stockings as found by Representative Payne on turning to his books on import duties on stockings. These are the honest women and children who now protect the sale of American stockings thereby giving employment to 40,000 women.

How much does it cost these honest women and children to protect the industry that employs the 40,000 women?

As Mr. Payne said the price of this grade of stockings has not been increased it is evident there has not been an increase of cost of materials, wages, and miscellaneous expenses. Therefore we can figure the work of the 40,000 from "Statistical Abstract of the United States 1910 No. 110" showing the work, wages, and value of productions of 103,715 operatives in 1905.

The 40,000 produced at \$1.65 \$52,666,400
The 40,000 produced at \$1.00 31,919,030

The protected price exceeded the free price	20,647,370
The wages of the 40,000 were	12,162,570
	\$8,484,800

It cost the female teachers, servants, bookkeepers, etc., to give employment to the girls who had been working only one-half time, eight million dollars more than the entire wages paid to the 40,000. This is the cost of protecting two-thirds of this grade of stockings, and the cost of protecting three-thirds would be \$12,727,200 more than the entire wages of the operatives.

When we imported two-thirds of these stockings, they were bought by the women who wore them. These buyers had to be employed to earn money to pay for them. Starting a hosiery factory did not put them at work. They were keeping up the high standard of living for American wage earners. The employment of 40,000 women in our hosiery factories in 1909 did not give these buyers the high standard of living they practiced before 1909, but it took away a portion of their earnings and thereby lowered their standard.

These nurses, teachers, stenographers, etc., are the honest working women Mr. Payne would be ashamed to look in the face if he had not stood for a law forcing them to pay the entire wages of 40,000 other women and, in addition, give the managers of the hosiery industry \$8,484,800 yearly more than the value of their productions. A free trader would be ashamed to look these honest working women in the face if he should be under a partizan obligation to praise a law so unjust.

The reader needs not fear that he is reading "only a free trader's theory." We have been examining the protectionist's theory that prosperity of an industry supported by a protected tariff is a benefit to all other industries, and it is left entirely to the reader to discover or to fail to discover how the prosperity of 40,000 female operatives is a benefit to female teachers, servants, dressmakers, or any industry excepting the hosiery.

A Tariff Argument for Debaters

ILLUSTRATED BY J. W. BENGOUGH

Part III (Continued).
Protective Tariff Indefensible.

#48.

The war-breeding effects of the tariff are another example of destroying the balance of nature. The natural tendency of the present day is toward universal peace. Yet the tariff, with its maximum and minimum schedules, causes industrial war and bad feelings between nations. The bad feelings make war more likely, and we must have large navies to be prepared for war. Also we must have large navies to make other nations respect us and not discriminate against our commerce. Thus both of these reasons for a large navy are seen to emanate from the erection of unnatural tariff walls between nations. This war breeding effect of the tariff is bad enough in itself, but it reaches even farther. For a large navy necessitates a merchant marine, which has been made impossible by another ramification of the tariff, as we have just seen. If it weren't for the tariff we should at least have a merchant marine, and we might not need it. But as it is, we need it, haven't got it, and resort to a burdensome subsidy. Great are the ramifications of evil resulting from upsetting the balance of nature.

#49.

The tariff retards the growth of civilization. This is not only due to the war-breeding effects which we have just discussed, but also its restricting effect on trade. As we saw a short time ago, trade has been the cause of most of the world progress, and has been the means of disseminating the rest. Therefore it is plain that anything that restricts trade, retards civilization.

#50.

And now let us pause for a moment in the discussion of the evils of this tariff system, and ask ourselves what show of authority our Federal government has for levying a protective tariff. We saw, in the discussion of the revenue features of the tariff, how far it went beyond the legitimate scope of taxation. The Federal Constitution distinctly enumerates the objects for which a tax may be levied, and these enumerated objects do not include protection. The Constitution says:

"The Congress shall have power to levy and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States."

This has generally been construed to mean: "The Congress shall have power



to lay and collect taxes, duties, imposts and excises, for the purpose of paying the debts and providing for the common defense and general welfare of the United States." In other words the power to tax is expressly limited to taxation for the above enumerated purposes.

The general welfare clause of this section of the Constitution has been used as an excuse for stretching the power to levy a revenue tariff, so that it includes the power to levy a protective tariff. This is not logical, and probably not legally defensible.

The general welfare clause should be construed with relation to its context. There is a legal doctrine known as "noscitur a sociis," which means that a word is known by the company it keeps. Paying the debts can be accomplished only by the appropriation of money. Providing for the common defense can be accomplished only by the appropriation of money. Therefore, the meaning of the welfare clause is that Congress shall have power to appropriate money for the general welfare of the United States, and to raise this money by the various enumerated forms of taxation. In other words, this general welfare clause is merely declaratory of the Common Law right of sovereigns to raise money for public purposes.

The Constitution of the Federal Government must be strictly construed. Under it the Federal Government may claim no powers except those expressly given. This rule of construction is different from that applicable to state constitutions, under which each state has all the powers, which are not expressly therein prohibited to it. The difference arises out of our peculiar Federated form of government.

Having seen that the Federal Government has no more powers under the Constitution with relation to taxes than the Common Law attributes of sovereignty, and perhaps less, let us consider what are the limits of the Common Law right of taxation. A Legislature has no power to impose taxes on the people for any other than a public purpose, as we have seen earlier in this argument. The power to tax is not legally exercised, if exercised for the

benefit of private persons or in aid of private uses or enterprises, even where there is no express constitutional prohibition. If the purpose is not such as to justify taxation, no stress of circumstances, no inherent importance or desirability can bring it within the scope of legislative power. Public benefit must be direct and immediate, not remote and incidental. Whether the particular purpose is public, in the sense of being a legitimate object of taxation, is a question to be determined in the first instance by the Legislature; but the decision of the Legislature is not conclusive, and may be reviewed by the Courts.

We must remember the clear distinction between a revenue tariff and a protective tariff, which was pointed out at the beginning of this argument. With this distinction in mind, and considering the strict limitations of the Federal taxing power, it must be plain that there is absolutely no authority in the Constitution for the Congress to levy a protective tariff. Calling a protective tariff a revenue tariff, as is customary to do in entitling congressional acts, makes absolutely no difference. Compare entitling as a revenue measure, a bill for the government to engage in some socialistic form of activity. Calling such a bill a revenue measure would be a lot nearer the truth than calling a protective tariff a revenue measure, and yet would be indefensible. In construing bills, the Courts are not bound by the titles.

The constitutional lawyers of the tariff beneficiaries will probably argue that none of these general rules of taxation apply to the case of the tariff, for these rules relate to the expending of the money received by taxation, whereas the money which protects the tariff beneficiaries does not pass through government hands at all. To this there is the obvious reply, that there is no difference whether the Government collects money and pays it to a private concern in the form of a bounty, or whether the Government forces a direct payment of tribute to the beneficiary.

Thus we see that a tariff for protective purposes is unconstitutional, for the reason that the Constitution gives the Congress no power to levy a protective tariff, and for the further reason that taxation of the public for private purposes is indefensible.

#51.

Another objection to the protective tariff is that it fosters Trusts. The Trusts both exist by monopoly and cause monopoly; it operates in a circle. Some

competitors allow themselves to be assimilated. Some resist and are annihilated. One fate or the other is inevitable to all competitors. But still prices are kept down and the people protected by foreign competition. So as long as competition exists, the Trusts must keep their prices down or be undersold and lose their hold on the market. If an aspiring concern could only send its competitors to Mars or Hades, it could then raise prices as high as the traffic would bear, and this is practically what the Trusts do with foreign competition. They disregard it. They shut it out by means of the tariff, so that so far as this country is concerned, it is non-existent. Then they can raise their prices at will and with nothing to fear from abroad, they can devote their energies to subduing domestic competitors.

Why legislate against the Trusts? Why behead the hydra? Why not attack the tariff, the mother of the Trusts. We cry for free competition as a remedy for Trusts. We split up the Trusts into their constituent companies and try by legislative and executive action, to force competition, between these parts, ignoring the plain fact that it is impossible to force a monopoly to compete with itself. We cry for competition. If we really want competition, let us attempt the only kind of competition that is now possible, namely foreign competition. Take the tariff off trust-made goods. If any given Trust is a natural and beneficial industry it will survive in spite of the competition, and will give the people its products at a lower rate. But if it has been a parasite, it will perish, and the people will be better off without it.

And when we adopt the principle of taking the tariff off trust-made goods, let us remember that the present trust-made goods were not trust-made goods before the tariff created the Trusts. Let us take the tariff off all potentially trust-made goods, before they become trust-made.

In other words, take the tariff off everything, lest Trusts be engendered. An ounce of prevention is worth a pound of cure.

#52.

Another objection to the protective tariff is that it makes business unstable. This point was touched on previously in our discussion of a tariff for revenue, when we showed that even a revenue tariff is a source of danger to business.

A large part of our business owes its existence to the tariff. This business ramifies through the finances of our country, like the roots of a cancerous growth. The cancer continues to spread and sap the life of the whole commercial structure and yet every touch to

the cancer produces a wide-felt disturbance. An increase of the tariff aggravates the cancer, decrease of the tariff temporarily disturbs surrounding business.

Thus each threatened tariff revision disturbs the stock market and brings thousands of business men up in arms. They cry that we should take the tariff out of politics. Why? Because the stability of the country's business ought not to be so absolutely dependent upon machine politics. And yet, as long as we have a tariff, just so long must it be either in politics up to its neck, or else beyond popular control, which would amount to taxation without representation, and would therefore be unendurable in a democratic republic.

Undoubtedly, business stability is too dependent upon politics. Then why won't our business men see the light



and work for the establishment of a self-supporting business, dependent upon nothing but American energy and natural demand? Business ought not to be dependent on "the foot-ball of politics." But business will never be taken out of politics until the connecting link between business and political disturbance, namely the tariff, is totally destroyed.

#53.

So far we have been discussing the effect of the tariff upon business and general welfare. Now let us consider for a few moments its effect upon men. Human rights are more important than property rights. Men's souls are more important than men's comfort. The most necessary question to consider in balancing up the good and evil of any system is: what are its moral effects; in other words, are men better or worse for it? One of the severest indictments of the tariff is that it encourages the worst human traits.

First, it has a bad moral effect on business men. It destroys the self-respect of those who flock to Washington to beg Congress to let them guzzle at the public trough. Men who have spent their lives at home minding their own business and developing themselves into the frank aggressive American type,

have been forced into the atmosphere which requires them to be sleek, obsequious and tricky. No man can carry on the kind of lobbying done on the tariff, without losing his sense of decency. Men leave their business to hang around the Legislative corridors. They are forced to employ and associate with, the lowest type of political tricksters.

This is the type of business men that the tariff develops: a man unwilling to take his chances in a free world struggle, a man begging for special privilege.

#54.

This same immoral effect is felt on the politics and Government of our nation. The tariff is one of the chief sources of campaign funds, the contributing of which debauches not only the giver, but the receiver, and through him the whole political structure of our Government.

Almost every politician has some large protected industry in his district, some large protected industry which is willing to contribute immense sums of money for the election of a man who will secure for this industry the most of special privilege. Large numbers of Congressmen go to Washington with a political debt to pay. Not only do they have this political debt to pay, but they must provide tariff protection for their backers at any cost or a new man will be returned in their place. Each of these men must secure his particular point or points in the tariff revision. And to this end each must secure the vote of a majority of the members of both branches of the National Legislature. Think of the trades that this involves. Think of the number of measures that must be voted on by each of these men, not from the point of view of national expediency, but from the point of view of saving a political hide. Of course, there is trading on all political measures; but nothing, not even all the other matters of legislation combined, is so inducive to trading as the protective tariff.

At this point let us refer to a preceding reading, under which we showed that indirect taxation decreases public responsibility. Without confusing the protective and revenue phases of the tariff, it may be well to consider here how this decrease of responsibility leads to added political corruption. Some of the items of a tariff bill are for protection and some are for revenue. Protectionists in Congress, by tinkering with the revenue provisions, can raise immense sums of money without their being felt by the people, and so can pay off the political debts.

And in general, when the members of the community who show the greatest interest in politics are those who are fighting for self-interest, and pro-

tection, is it any wonder that their representatives catch the contagion and fight among themselves for political plums? This is the debauching effect of the tariff.

#55.

And the tariff has an immoral effect on citizens in general. With business men fighting for tariff plunder, and with politicians representing them and fighting among themselves for political plums, the effect is bound to be felt throughout the whole community.

In addition to this, there is more of an incentive to violate the law with relation to the tariff than with relation to any other legislative enactment. Smuggling has come to be regarded as eminently respectable. Now, either smuggling is right and the tariff is wrong, or smuggling is wrong and the tariff is right. If people defy the law because they believe it is not law and because they believe it is unjust, and if this defiance becomes nearly universal, this is a pretty sure sign that the people are right in this view; inasmuch as one of the principles of Democracy is that the people are usually right. But if the tariff is justifiable, and the people still universally disregard it, this is a sign that the tariff is producing a bad moral effect on the community. A good tree does not bear evil fruit. There is no escape from these two alternatives.

#56.

And now we get down to the real object of the tariff. Of course, the object of the protective tariff is not to destroy commerce, breed war, retard the spread of civilization, violate the Constitution, breed trusts, destroy business, and debauch business men and our citizenship generally. These are merely the natural and inevitable results of Protection. The real object of the protective tariff is to increase prices.

Protection keeps goods out of this country and prevents under-selling the American manufacturers. If foreign goods would not be thus kept out, what would be the point of the protected interests having a tariff at all.

Right here it may be well to nail one of the Protectionist sophistries. The Protectionists say that with foreign goods kept out, there will be an increase of American establishments producing the goods; and that this increase of establishments will increase competition, thus reducing prices to a level lower than without the tariff. Of course, this is pure buncombe and bosh. The protected manufacturers do not want competition. Competition from any source is abhorrent to them. They work for a protective tariff to prevent competition. Can a sensible person imagine the protected interests wishing to increase the competition against them?

There are numerous other Protectionist arguments of a similar nature, which may be all grouped under the general heading of claiming that the increased price of something makes it cost less. When stated in plain English, such an argument as this needs no rebuttal; but when hedged about with economic terms, its fallacies become less apparent. A good rule to apply to all Protectionist arguments is to see if they will not reduce to the contention that the more a thing costs the cheaper it is. When thus reduced to lowest terms, they will need no answer.

This general heading of the tariff discussion, namely that the tariff increases prices because that is its object, is the point on which the tariff is most generally attacked, and with which we all are most familiar. Statistics on this point abound on every side. It is too generally understood to need further elucidation here.

#57.

One of the most common Protectionist sophistries, is that the foreigner pays the tax. If the foreigner pays the tax, how is it that the tariff increases prices to us American citizens? The Protectionists ask for an American market for American goods, and it is the American market that suffers by having to pay the tariff prices.

Of course, the importer of foreign goods first pays the tax. If the importer is a foreigner, he adds the cost of importing to the price for which he sells, which is natural, thus passing it along to the American consumer. But most of the foreign goods brought into this country are imported by Americans, so that in the case of these the tax is not only borne by the American consumer eventually, but is borne by Americans in the first instance. But we must remember in this connection that the object of the protective tariff is to keep out foreign goods and prevent any possibility of the foreigner having anything to do with the goods, or the tax, or anything. Eight times as much protected goods are produced in this country as are brought in tariff-taxed from abroad. No foreigner has any chance to pay the tax on these home-made goods. They are forced down the throats of the American consumer and he pays the tax into the coffers of the tariff beneficiaries. Thus we see that only an infinitesimal part of the cost we bear is raised by the tariff laying any burden on any foreigner even in the first instance; and that, in the few cases in which there is any burden on a foreigner by reason of the tariff, he is able to pass it along to the American consumer almost automatically.

#58.

By increasing the cost of the goods

that we buy, the tariff decreases the value of our purchasing medium. This is a hard idea for some people to understand, who think of a dollar being worth a dollar all of the time. If during one year you can exchange a load of garden truck that you raise for enough provisions to last your family a month, and the next year can exchange an identical load of garden truck for only enough provisions to last your family three weeks, you know without any explanation by political economists that the value of garden truck has gone down. The same principle applies if a dollar that you get in wages will only buy three-fourths as much in one year as it did the year preceding. We should not be misled by Protectionist political economists who tell us that the reason for increased prices is that money has gone down in value. It is the tariff that has made the money go down in value.

#59.

So far, we have been discussing the simple direct effect of the tariff on the cost of tariff protected goods. But the effect of the tariff on prices is really much more far-reaching than this in two respects.

Free Traders say that a fifty per cent. duty on an article that costs the consumer \$1.50, signifies that without the tariff the consumer could get the same article for \$1.00. To this the Protectionist replies that the fifty percent. duty was levied on the foreign price which may be only twenty cents, in which case the tariff is only responsible for a ten cent tax on the consumer, instead of the fifty cent tax as alleged by the Free Traders. This argument seems fairly plausible at first blush. But we must remember that money is not put into business merely to take it out again without any profit. Let us suppose an article costing twenty cents abroad, which we sell in this country for one dollar, giving reasonable profit on his investment to the American importer and the various middlemen through whose hands the article passes. Thus we are assuming that 400 per cent. is the legitimate and natural total profits of all who deal with this article. A tariff tax of fifty-per cent. (that is, ten cents) added to the article is money invested the same as the money that is paid for the article. Four hundred percent. profit must be realized on this investment too. The result is that the article costs \$1.50 when it reaches the consumer. A fifty cent tax on the consumer, of which tax the Government gets ten cents! This shows one of the far-reaching effects of the tariff.

(To be Continued)

Some Good Points

Made by Hon. William Kent of California.

Key #30.

Robbery Does Not Increase the Aggregate Wealth of the Thief and His Victim, and it Wouldn't do the Victim any Good if it Did.

It is argued that by taxing one industry for the benefit of another industry, and vice versa, we create a home market that is productive of wealth. This brings to mind a story told by David Starr Jordan concerning the eagle and the blue-tailed lizard. It seems that the eagle one day swooped down upon the lizard and bit off and ate the lizard's tail; whereupon the eagle acquired energy to lay an egg. The lizard climbed the tree, sucked the egg, and, through the encouragement thus afforded, grew a new tail. This process continued through many years, apparently, without much profit to either party save as it added to the interest of existence.

A tale of similar import, but more profitable sequence, was related of a man who lived near the Petaluma marshes and started to raise carp. He was doing fairly well selling carp from his pond, when he suddenly conceived the idea of raising a side line of cats for the fur. He discovered that he could feed the carp to the cats and the cats to the carp, so that he increased mightily in his output of cats and carp and became wealthy.

I have learned that it is customary to decorate the oratory of this floor with fruits, with flowers, with flags, and with farmers in various states of happiness and misery. I respectfully submit a poem produced by a laureate of my district and which concerned itself with the tariff speeches of my esteemed opponent at the primaries:

I read these tariff speeches o'er—
The more I read of them the more
I do not know, but then I can
Rely upon our Congressman.
Upon the very slightest hint
He puts a red-hot speech in print,
And when he prints that speech, you
see,
He has it mailed out here to me.

Mac makes it very clear just how,
If I pay more than I do now
For socks and gloves and baby's dress—
While I pay more they cost me less.
And then he shows me where I lose
By paying somewhat less for shoes,
For though I pay less than before,
My shoes they really cost me more.

He makes it clear to me
That what I lose I gain, you see,
And on such things as clothes and shoes,
I seem to gain but really lose.
Thus, if I buy my socks too low,
They'll still be higher—Dunc says so—
And shoes I thought were high last fall,
Were really low shoes after all.

Mac says if I pay less for shoes
Or hats, the maker has to lose.
And if he loses, then, you see,
He charges up the loss to me.
Now, when I have to pay him more,
He reckons profits to his store,
And Duncan finds a share for me
In all of this property.

The speeches shed a radiant light
Upon the theme and make it bright;
I merely read them o'er, and o'er
To find more's less and less is more.
In buying hat, or coat, or vest,
Dear's cheap, and cheap is dear at best.
High's low, low's high, far's near, near's
far,
White's black, black's white—and there
you are.
We live in topsy-turvy land
When McKinlay waves his magic wand.

The old idea of encouraging new industries is being destroyed by the present system, for, in so far as trusts and monopolies are being encouraged, individual enterprise and individual initiative are being suppressed. A monopoly need not confine its charges to high percentage of profit on the product, but it can charge up to the public all the graft and mismanagement that may go to make up its costs. It is not compelled to be efficient. It can afford to dispose with improvements in machinery and methods. It can put valuable patents in cold storage. Thus the tariff, in so far as it aids the trusts, throttles progress instead of fostering industry.

In song and oratory we are properly reminded of the gratitude we owe to the Providence that placed us in this land of liberty and plenty. Is there not shown a lack of appreciation when we hear the solemn assertions made by some of the gentlemen that our prosperity is not due to the natural bounties of our country, not to the genius and efficiency of our people, but to a system of taxing ourselves? Whenever protest is made against the existing protective tariff an argument promptly adduced in its favor is one which was best phrased by the Hon. "Bathhouse" Coughlin in the city hall of Chicago. He asked a fellow alderman how he could advocate the

creation of prohibition territory and consequent loss of revenue from saloon licenses, when, as he stated it, "we are all of us heartily in need of funds." If either the Government or any interest happens to be "heartily in need of funds," there is always a means of raising revenue by boosting the tariff. I do not believe that it helps matters much to hold that we ought to lower the wall to such a point as to provide only for the higher wages of American labor plus a profit to the manufacturer or producer. This amendment still justifies the establishment in our country of industries that do not belong here. It would justify the raising of cocoanuts in hothouses. It would justify a tremendous tax upon tea in order that the laborer engaged in tea culture could be recompensed at upward of a dollar a day, while he is now receiving probably less than 10 cents a day on the other side of the ocean. I am unpatriotic enough to be grateful to the heathens who in their blindness are picking tea for us at that rate of wages, and I would not advocate forcing them to adopt our standard of living by the wearing of American clothes, or even the drinking of Missouri champagne, for I fear they might be brought to feel the necessity of charging us more for doing us this service.

No one has ever shown any fund from which can be drawn the tax levied by the tariff and paid out in subsidies to the protected interests except the fund that resides in the pockets of the people. Those who assume that the tariff is a means of creating prosperity or of creating wealth are much better at juggling and at picking coins out of the air than was Herrmann, the magician. If we can tax ourselves rich, we can prove poker to be a productive industry. Equally, an individual may become opulent by shifting coins from one pocket to another, and the Nation can acquire wealth, if not merit, by unanimously consenting to the reciprocal picking of pockets by all the people.

Economists would doubtless urge that this universal and fairly distributed pocket-picking system would be unproductive, but we have had too much of doctrinaire teachings to listen to any more of it.

It might be surmised that should the pocket-picking system become thoroughly established it would not be equally enjoyable to all the people. There would be some more adept than others. There would probably be coteries formed

in the profession that would band together in "strong-arm" or "hold-up" work, and when, if perchance, through popular clamor, because of over-activity, the practice were put into partial disrepute, and there arose the question of proper limitation, it would be found that the least skilled and the unorganized would first be deprived of the privilege of picking pockets.

Through many of us newly elected Members the people are protesting, not against the wealth of the country, but against the present system of distribution, which fully deserves the bitter resentment it has incurred. There would be little satisfaction to a cash girl working for the Marshall Field Co. at a weekly wage of \$3 to know that she and that corporation were jointly worth over \$50,000,000. The people are not satisfied with statistics of national wealth, they want better conditions for themselves.

I have discussed theory without any idea that we could afford or should make any sweeping changes at once. Too many people inhabit the rickety structure to permit of its immediate demolition. A revision downward, schedule by schedule, is the beginning of the work, and a notice to make preparations to vacate. At some time or other these patients, the "invalid industries," must leave the hospital, whether to turn their steps to self-support or to the cemetery. They can not forever remain parasitic. The tariff has been too often revised upward by its friends. The people have commissioned its enemies to revise it downward.

GOOD ADVICE FROM FOSS.

It seems strange that it remained for Gov. Foss of Massachusetts to advise the Democratic majority in Congress what to do to insure relief from the high cost of living. In an appeal to Chairman Underwood of the ways and means committee he urges an immediate repeal of all taxes on food stuffs and the various necessities of life. This is the program The Democrat has urged ever since the Democrats gained a majority in Congress. It is the logical and the urgent thing to do. There can be no effective relief from excessive prices until the grip of the monopoly combinations is broken by throwing down the Taft-Aldrich tariff bars and allowing the food and clothing of the world to come into this country absolutely tax free. And if the Democrats in Congress do not promptly act upon the suggestion of Gov. Foss there will be further reason to believe that there is basis for the charge that many of them are more interested in the cause of Big Business than they are in the welfare of the common people.—Johnstown Democrat.

Are Wages Higher?

In determining the height of wages there are two points to be considered. The first is the question of fairness. In other words, what percentage of that which the laborer produces is given back to him in wages? Times may be bad, wages may be cut down because of inability to pay, but the laborer cannot complain of added unfair treatment at the hands of his employer, so long as labor's share of the gross profits remains at the same percentage.

From the official censuses of the United States, we are able to obtain some light on this point. Let us take for instance the textile industries, owing to their being the centre of economic and sociological discussion at the present time. Let us compare the results tabulated in the census of 1890 with the results tabulated in the special census

of 1905, that being the most recent report at present available.

Our method of procedure will be as follows: To ascertain the gross profits of the textile industries, we must find the amount of enhanced value given by them of the raw material which goes into their hands. In other words, we subtract from the value of the total turned out, the value of the total raw material going in. This gives us the value of the work done by the textile industries. This value is distributed in the form of wages, salaries, dividends, rent, royalties, depreciation charges, etc. The part of this which labor gets is represented by wages. The part which the officers of the mills get is represented by salaries. It is easy to ascertain what percent. of the whole each of these items amounts to.

The following figures show the result of this calculation.

	1890	1895
Value of finished goods	1,261,672,504	2,147,441,418
Cost of raw materials	705,004,909	1,246,562,061
Value of work done	556,667,595	900,879,357
Wages	278,167,769	419,841,630
Labor's share	50 per cent.	46.6 per cent.
Salaries	35,496,486	69,281,415
Officers' share	6.3 per cent.	7.6 per cent.

Thus we see that from 1890 to 1905, Labor's share of the gross profits of the business has decreased from 50 percent. to 46.6 percent., while the officers share has increased from 6.3 percent. to 7.6 percent. Labor has lost 3.4 percent. while the employers (or rather the high salaried officials) have gained 1.3 per cent.

From these same census reports we can find very much the same decrease in Labor's share in every line of industry. The following table contains a general summary of the percentages paid to the workers in 1890 as compared to the percentages paid them in 1905.

Name of Industry	1890	1905
Iron and steel	58.4	49.5
Leather	41.7	39.0
Tobacco	45.9	41.9
Textile	50.0	46.6

Thus we see that the modern trend in all these industries is to reduce the share paid to the workers. Whether this is done by lowering wages or by speeding up the machines and overworking the employees, is immaterial. The fact remains that these figures show a decrease in wages, in spite of the protective tariff.

The other point to be considered in determining the height of wages is the question of the purchasing power of the

wage. In other words, how much in real value are the laborers being paid? This point has been treated at some length in previous issues of the Broadside. Numerous statistics have been collected to show that the recent rise in prices has been sufficient to make the American dollar worth at least a quarter less than in the last low tariff year. We hope in an early number to give a new presentation of this point, by producing figures to show how much of his own product the average laborer is able to buy back with his own wages in the protected industries. This amount will be shown to have decreased rapidly in recent years.

Thus in two different ways there is going on a steady decrease in the share that labor gets of what it produces. We are discussing very little theory here. What do our protectionist friends say to these facts?

"Say, pa, what does it mean when it says the Supreme Court dissolved a trust?"

"Well, my son, you see hum—ha—that's a sort of solution of the trust question"

"Does it fix it so there's no trust any more, pa?"

"Well, my son, when you dissolve a lump of sugar in water, the sugar is still there, but you can't see it."—Puck.

Brief for Free Trade

The following is a continuance of the abstract of the Tariff Argument for Debaters which its author has prepared, with citations and references with which to amplify it. The argument is intended to contain, in the most concise form possible, an orderly exposition of every point that is likely to arise in a debate on the tariff. This brief is intended to enable a debater to get further light upon any subheads on which the discussion in his particular dispute may happen particularly to concern itself.

Each subhead of the Argument has been given a Key Number. Articles in any future Broadside will be given the same Key Number as the part of the argument to which they correspond. Having found an article which interests him, the reader, by turning to the Argument, will find a short statement covering the whole point; and, by turning to the Brief, will find a ready reference bibliography reply on the subject.

THE BRIEF. (Continued.)

- #48. A war breeder.
Broadside, Vol. III, No. 1, p. 8,
col. 1, Vol. I, No. 2.
Ehrich's Cobden, Address, p. 4.
- #49. Retards the spread of civilization.
Argument #41.
Baskett, p. 14.
- #50. Ought to be declared unconstitutional.
Argument, ##3 and 5.
Brickett, p. 29.
Broadside, Vol. III, No. 1, p. 12,
col. I, Vol. I, No. 6, p. 3.
- #51. A trust breeder.
Pressing the Trust Question, a
2c. League pamphlet.
Causes of Trusts, a 2c. League
pamphlet.
Fruits of Protection, Sec. 19.
Broadside, Vol. I, No. 9, p. 3,
No. 12, p. 10.
- #52. Makes business unstable because
of tariff tinkering.
Argument, #11.
Hog Book, pp. 55-56.
The Passing, pp. 118-120.
- #53. Has an immoral effect on busi-
ness men.
Baskett, p. 13.
Broadside, Vol. III, No. 1, p. 11,
Vol. II, No. 4, p. 1.
- #54. Has an immoral effect on poli-
tics.
Protection or Free Trade, pp. 85,
101.
Baskett, p. 13.
Broadside, Vol. III, No. 1, p. 11,
Vol. II, No. 3, p. 14.

- Protection and Corruption, a 2c.
League pamphlet.
- Tariffs and Public Virtue, a 2c.
League pamphlet.
- Watson's Tariff Primer, p. 57.
- #55. Has an immoral effect on citizens
generally.
Protection or Free Trade, p. 35.
Baskett, p. 14.
Hog Book, p. 15.
Broadside, Vol. I, No. 12, p. 11;
Vol. II, No. 2, p. 6.
- #56. Increases prices, for that is its
object.
Fruits of Protection, Sec. 14.
Argument #2.
Brickett, pp. 7, 17-18 & 43-45.
Broadside Vol. III, No. 1, p. 10,
col. 2.
- #57. The foreigner does not pay the
tax.
Protection or Free Trade, Chap.
IX, p. 93.
Argument Nos. 2, 4 & 22.
Taylor, p. 68.
Brickett, pp. 51-53.
Hog Book, p. 30.
Broadside, Vol. II, No. 2, p. 2.
- #58. Decreases the value of money,
hence decreases wages.
Argument, ##19 & 35.
Brickett, pp. 42-45.
- #59. Indirectly far-reaching.

ADDITIONAL CITATIONS

- # 3. Inconsistency of the two phases
of the tariff.
Protection or Free Trade, Chap.
IX, p. 88.
Broadside, Vol. I, No. 1, p. 2;
Vol. II, No. 3, p. 12.
- " 4. A wasteful system of taxation.
Protection or Free Trade, Chap.
VIII, p. 78.
- # 5. Unwarrantably confiscatory.
Watson's Tariff Primer, p. 42.
- # 7. A tax on necessities, which is
bad public policy.
Protection or Free Trade, Chap.
VIII, p. 79.
Broadside, Vol. I, No. 8, p. 2.
- # 8. A very indirect tax, therefore
the voters feel no responsi-
bility.
Protection or Free Trade, Chap.
VIII, p. 80.
Broadside, Vol. I, No. 6, p. 3.
- #12. How else to raise revenues?
Protection or Free Trade, p. 345.
- #13. Definition of Protective Tariff.
Protection or Free Trade, Chap.
IX, p. 88.
Broadside, Vol. I, No. 1, p. 7;
No. 8, p. 10.
- #15. The workers do not need protec-
tion.

- Protection or Free Trade, p. 229.
Broadside, Vol. II, No. 1, pp. 1
& 3.
 - #16. The tariff does not maintain
high wages.
Protection or Free Trade, p. 145.
Broadside, Vol. II, No. 1, p. 3.
 - #20. Tariff not the best form of ar-
tificial stimulation.
Protection or Free Trade, p. 105.
 - #22. Merely enables them to give bar-
gains to foreigners at our
expense.
Watson's Tariff Primer, p. 24.
Broadside, Vol. I, No. 4, p. 1,
No. 12, p. 3; Vol. II, No. 5,
p. 7.
 - #24. Not a good object in the case of
of unnatural industries.
Watson's Primer, p. 65.
 - #26. How about the destruction of
tariff-fostered industries?
Protection or Free Trade, Chap.
XX, p. 231.
 - #30. Stimulation of a few does not
bring good times.
Protection or Free Trade, p. 247.
 - #31. Even if fairly distributed, it can't
be fairly collected.
Protection or Free Trade, pp.
108-110.
 - #33. The "independence" caused by the
tariff, is not desirable.
Protection or Free Trade, p. 112.
 - #36. The dual significance of a "fa-
vorable" balance of trade.
Protection or Free Trade, p. 121.
Broadside, Vol. I, No. 11, p. 8;
Vol. II, No. 3, p. 10.
 - #38. Advantages of a "flood of foreign
goods."
Protection or Free Trade, p. 126.
 - #41. Definition of Trade.
Protection or Free Trade, p. 50.
 - #42. Trade benefits both sides of the
bargain.
Protection or Free Trade, p. 63.
Broadside, Vol. I, No. 3, p. 6.
 - #43. The tariff is "restraint of trade."
Protection or Free Trade, Chap.
VI, p. 49.
 - #44. Destroys commerce.
Protection or Free Trade, p. 198.
Broadside, Vol. I, No. 7, p. 1;
Vol. I, No. 5, p. 3; No. 10,
p. 1.
 - #45. Unnatural.
Protection or Free Trade, p. 15.
 - #47. The tariff necessitates shipsub-
sidies.
Watson's Tariff Primer, p. 36.
Broadside, Vol. I, No. 8, p. 9.
- (References: "Argument," A Tariff
Argument for Debaters, accompanying

(Continued on p. 15, vol. 1.)

Shipping and Shipbuilding

From the Tavenner Letters.

From the great Liverpool docks, the biggest and most modern in the world, some sea-going freighter loaded with British-made goods, is leaving almost every hour of the day. Ships are docking at all hours, too. No vessel is turned away from Liverpool by the high-tariff walls.

Without the least difficulty England is maintaining her mastery of the world's shipping, year after year, under free trade. While Britain has been piling up her ocean tonnage at the wonderful rate of 1,000,000 to 2,000,000 tons per decade (more than 2,000,000 tons have been put on the last seven years) the United States, under protection, has seen her once proud shipping dwindle to insignificant proportions.

It is not pleasant to record this contrast, but it is a fact. That the ever-increasing high-protection policy of America is the chief reason for the decay of American shipping can hardly be denied even by protectionists.

Here are the facts in figures, taken from the British and American official records:

Comparative progress of British and American shipping (1860-1905)...

	British Million tons	American Million tons
1860	4.5	2.5
1870	5.6	1.5
1880	6.6	1.3
1890	7.9	.9
1900	9.3	.8
1906	11.2	.9

So overwhelming is British maritime supremacy that to set out the shipping tonnage of the other leading nations is to make their figures look ridiculously small:

Ocean tonnage of the leading maritime nations, 1906.

	Tons.
Great Britain	11,167,000
Germany	2,516,000
United States	939,000
France	1,214,000
Italy	922,000
Russia	1,083,000
Norway	1,392,000

Since 1900 British steam-merchant shipping has increased by 2,404,403 tons and its sailing tonnage has decreased by 541,179 tons, the net increase being 1,863,224 tons.

England has become, to some extent, the carrier not only of the greatest portion of her own exports and imports, but a considerable part of the exports and imports of other countries. Besides her regular liners running to the United States, Canada, the West Indies, to China and Japan, to India, and other places, amounting, roughly, to 1,300 vessels, she has also an immense fleet of steamers and sailing vessels known as

tramps, numbering more than 14,000. These go everywhere.

The amount of shipping passing through the Suez Canal is a thermometer by which may be gauged the trend of the world's maritime commerce. Between 1900 and 1906 the gross tonnage of vessels passing through the canal increase from 13,699,237 to 18,810,713 tons, or a total increase of 5,111,476 tons. Of this increase 3,721,933 consisted of British tonnage and 975,537 of German.

British ships are carrying American exports and imports extensively. The United States even found it necessary to charter British steamers to coal the battle fleet from the Atlantic to the Pacific, and in case of war would have to avail itself of foreign bottoms for the transportation not only of coal, but of supplies.

If low tariff rates spell ruin, why is it that England, the only one of the great nations having free trade, leads the world in shipping and shipbuilding?

And why is the United States, under high protection, the possessor of fewer ships than Germany, France, Russia, and even Norway?

The favorite answer of the protectionists that England is making greater gains in the maritime industries than the United States because of her colonial trade is not the correct answer. This can easily be shown.

In 1907 England's total foreign trade amounted to \$5,657,040,000. Of this amount, 74 per cent. represented trade with foreign countries, while only 26 per cent. represented trade with British possessions. This shows that Great Britain would still lead the world in shipping if she had no colonial trade. England's foreign trade between 1903 and 1908 has increased five times as much as her colonial trade.

The shipping of the United States engaged in foreign trade, which amounted to 2,600,000 tons in 1861, had fallen to 940,000 tons in 1906, a decrease of nearly two-thirds.

In 1905-6 only two steamers, of 6000 tons each, were built in the United States for foreign trade. In 1906 England built 815 steamers, of 1,800,000 tons in all.

America's natural resources should give the United States a position in maritime commerce equaling that of Great Britain. The United States is the wealthiest country in the world, is the greatest producer of iron, steel, and coal, and possesses a seacoast of thousands of miles, with great bays and gulfs extending into the interior, which ought to make us great shipbuilders and carriers.

Why the contrast between England

and the United States? That high protection is principally to blame is quite plain. The building of ships in the United States is practically prohibited by the increased cost of iron, steel and other materials. It costs about 50 per cent. more to build a vessel in the United States than in England. Even if an American ship is only repaired abroad, the owners must pay a tax on the amount of the repairs before the vessel can return home.

ANOTHER TARIFF INCONSISTENCY.

Tariff advocates get into the most absurd inconsistencies. On another page we print a poem entitled "Lopsy-Turvy Land," which shows the protective principle that the more a thing costs the cheaper it is. We wish here to present a similar Protectionist principle, namely that the more we get the poorer we are.

The following quotation is from a publication of the United Free Trade League of Melbourne, Australia. It is a bit of sarcasm and satire on the arguments of the Protectionists. It logically takes their point of view for a few minutes and argues with the exact sophistry of the Protectionists themselves. It points out what would happen if we were to have universal Free Trade: the nations suffering because of plenty to eat. Everyone in every country would be idle because everyone in every other country would be at work. It is intensely humorous; you can almost hear the Protectionists saying it themselves.

"England would flood the world with goods, because of the absence of protective tariffs to resist her. But owing to being a Free Trade country, all her people would be unemployed. Germany would deluge her with goods made in Germany; but in Germany, owing to Free Trade, all the factories would be closed down, and every worker be idle. In every land the clang of the workshop would be hushed. Everybody would be in want, for through Free Trade every country in the world would be swamped with food, clothing and manufactured articles of every conceivable kind. With everybody in the world out of work, with goods being dumped upon every shore in payment for goods received, with enormous production on every hand, through countries being able to thus dump their goods into all other countries, with universal idleness and universal dumping, deluging, invading and swamping—Oh! how can people uphold Free Trade when it only requires a little intelligence to be a Protectionist. Only a little intelligence—not too much."

Current Press Opinions on the Tariff

POCKETING PROTECTION.

Representative Hill of Connecticut was elected by a comfortable plurality, but it is not so comfortable that it will permit of too much trifling on his part, in view of the rapid change in New England sentiment on the tariff question. Mr. Hill has been making a tariff speech in Congress and has sent copies throughout his district, asking for comment on the same. One of these comments has appeared in the Congressional Record, having been sent to a Democratic Representative by one of Mr. Hill's indignant constituents. It is an interesting opinion, and is worth reproducing:

"My wife and I came into New York by steamer, having with us 7 yards of serge cloth, which was to be made into a dress for my wife. This cloth cost in London \$1.90, and was declared, as required by law. On those 7 yards of cloth I was obliged to pay two duties—a duty on the weight and a duty on the value—44 cents a pound and 55 per cent. ad valorem. These duties amounted to \$9.24, making the cost of the \$11.90 article \$21.14.

"A tax like this is unjust and excessive and can not be defended on the plea of protection to an American industry, as anyone can understand. If this is a sample of the provisions of the present tariff law, I am not surprised at the universal dissatisfaction which prevails in regard to it, and I hope the Democrats will succeed in changing this law with some thought for the interests of the consumers."

The significance of this declaration lies in the circumstance that the labor disturbances in Lawrence give the public an object lesson which they cannot ignore as to the disposal of the money received for the protection of labor in American factories. In this case \$9.24 was levied against seven yards of cloth which in England cost \$11.90. The excuse is that it is needed to protect American labor. But did the American labor get it? The \$5 or \$6 a week laborer at Lawrence doesn't seem to think so. What he does think appears to have been voiced by Governor Foss in his recent special message to his Legislature:

"It is alleged that, for years, the employers have pursued the policy of bringing into their mills the cheapest grade of labor obtainable in this or in foreign countries, and by fines and other methods have reduced wages far below that decent standard which American citizens should enjoy."

The only conclusion to be drawn from this is that the woolen trust has se-

cured prohibitive duties to protect American labor against Europe's "pauper labor," and then turned around and employed "pauper labor" from Europe at pauper wages. No episode in our industrial life has more clearly demonstrated than this the utter fallacy of the theory of protection. It is not for the benefit of labor, but is designed to put excessive profits in the pockets of the woolen trust—to enable it to pay dividends on mythical capital. —Rochester Herald.

TAFT'S INCONSISTENCY.

When Mr. Taft vetoed the woolen reduction passed by Congress last August, it was on the ground that he was waiting for the report of his Tariff Board—a Board made up of experts who were investigating the difference in the cost of manufacture here and abroad—a Board that would furnish Congress accurate figures on which to make a scientific reduction—the reduction that Congress had made was too much guesswork and we must wait until the experts gave us the correct figures.

The Tariff Board's report does not recommend any specific reduction—it is a mass of data, which Congress already possesses, presented to Congress, and from this data Congress must do its own figuring.

In this message to Congress on the Tariff Board's report the President does not recommend any rates—he simply puts the whole thing up to Congress in the same shape that it was when Congress reduced the wool schedule and Mr. Taft vetoed it.

Neither Mr. Taft nor his Tariff Board suggest rates as affording "the proper measure of protection and no more" such as he declared in his veto message of Aug. 17 to be essential. Mr. Taft simply asks Congress to do again that which he said was wrong last summer, when he sent his veto message to Congress—he had delayed giving the people relief from what he himself has denounced as indefensible.—Jeffersonian.

LABOR'S PROTECTION.

Schedule K is the particular protection of the American Woolen Company and its labor. That company is the particular support of Lawrence, Mass., where it has the largest worsted spinning and weaving mills in the world. At average wages of from \$6 to \$9 a week the labor profits of this protection have been under violent question. Of the capital profits of the protection an impressive silence reigns.

This worsted combination so favored by the inequalities of the tariff schedule

was formed at a time when common stock was issued to capitalize no value except expectations, and it doubtless followed the rule. It has regularly paid 7 per cent. on the preferred shares, and if as yet it has paid nothing on the common, it has earned much. It has in some years earned as much as 10 per cent. on the common stock, additional to 7 per cent. on the preferred. It has accumulated a surplus of above \$10,000,000, and it has had earnings to spare for buying up large amounts of the common stock in the open market.

The profitable protection to trust capital from this favored tariff schedule would seem to be clear. But where can be found the protection to labor when trade in labor is so free as to fill the mills of Lawrence with immigrant workmen who now largely make up the mobs which fill its streets?

The same condition is here revealed as in the Lawrence mills, whose protected proprietors draw from "Schedule K" their high dividends, their vast surplus and their frequent "melon-cuttings," while their polygot laborers riot against wages utterly insufficient to support American homes.

This first and fattest favorite of the high tariff, the steele trade, makes, according to Corporation Commissioner Smith, \$9.20 a ton profit upon steel rails. The labor cost of the same rails from the ingot is \$1.16. It is from this trifling "labor cost" that their pittance is doled to the men who sacrifice youth and health by toiling half the hours of the week.

From our long partnership with this poor infant industry that does not quite halve the world's entire business in steel we draw as dividends high prices for steel products; international price agreements; vast profits for the owners; 12 1-2 cents an hour for twelve hours' work a day and seven days a week by men who are mostly not American citizens; and such slums of filth, ignorance and life-shortening disease as The World will make it its duty to describe in this and succeeding issues.—New York World.

THE PROTECTED INDUSTRIES AND THE WAGE EARNER.

The strike at Lawrence, like practically all strikes of recent years, is an outgrowth of bread slavery—the white slavery of the North, in contradistinction to the black slavery of the South of ante-bellum days. The difference between white bread slavery and black slavery, by way of illustration, is the difference between owning a horse and hiring one.

The horse which was owned was a chattel and it was to the interest of the owner to see that he was properly fed, watered and housed, taken care of if sick or crippled and turned out for rest when overworked, without however, his feed being cut off.

The hired horse, however, is driven up to the speed limit and the hirer has no interest or consideration for him, other than the greatest service which he can get out of him for the time being. If the hired horse is overdriven and underfed the hirer finds some other horse to be hired.

This is the case with the average manufacturing industry controlled by the robber barons (thank God there are some exceptions) who have fattened on the tariff bonus paid them by the United States government, out of the taxes of the general public, or the fat profit at which they have been able to sell their inferior product to the masses—the people—as a result of the exorbitant protection, which has been given them by the United States government through their hirelings in the United States Senate, which latter body has come to be known for years as the “paid lobby of special interests.”

This tariff—so-called protection—to native industry was secured primarily and since been maintained on the plea of the so-called captains of industry in the interest of American manhood, to enable them to pay the wage earner a wage which would enable him to support his family, live under proper sanitary conditions, house and clothe them comfortably and enable him to send his children to school, instead of forcing the entire family, including the mother, to work to secure enough in the aggregate to keep soul and body together. In other words, to live as a man and be a man under this great and glorious country of liberty and freedom.

This tariff, or protection, was agreed to by common consent of the people to foster and encourage native industry and enterprise, but with what result? These great, so-called captains of industry and self-constituted philanthropists have, to the disgrace of the nation, developed into human vultures—leeches on the public—with an insatiable appetite which is sapping the life blood of the nation through its wealth producers.

Instead of dividing the 45, 80 and 180 per cent. protection given them on an equitable basis with the laborer, in whose interest it was sought and for whose benefit it was given, they have capitalized their plants for two or three hundred per cent. more than their intrinsic value and have not only pocketed all of the protection given by the government, but have further resorted to

every subterfuge, means and device—including moving pictures, I understand, showing beautiful American factories—to import the so-called pauper labor of Europe to compete with the sons of America, thereby enabling them to pay dividends wrung from the blood of the nation on their watered stock.

They have not been satisfied in their ever-increasing greed in pauperizing the American wage-earner by grinding him down to the lowest possible wage, which necessitated his entire family, including the mother of the family, working to secure a sufficient revenue to exist—oftentimes in the most squalid and unsanitary conditions—but have invaded the so-called pauper labor marts of Europe, underselling the so-called pauper labor in their own markets with the products of the American laborer, thereby further impoverishing the wage-earner of foreign countries at the expense of the American laborer and the American sucker nation, who, year after year, stand for this unwarranted exorbitant tariff protection.

Coming down to actual facts in the woolen industry, statistics show that, dividing the wage of the American spinner by his daily product, he receives less per pound for spinning yarn than the native of India. This is only one instance where the American laborer gets a greater wage per day, but less per pound or yard in consequence of his greater production.

LAWSON V. MOORE,

Ex-United States Consul at Lyons, France.

(In the Boston American.)

MORE ABOUT LAWRENCE.

Cheap labor has been imported for the benefit of the protected manufacturers under our blessed high tariff enacted ostensibly for the benefit of American labor. Hence we see in the strikers at Lawrence a conglomeration of European and Asiatic nationalities, who have been subsisting on from \$6 to \$9 a week. Meantime, President Wood of the American Woolen Company, who opposes a higher rate of wages, is the same man who fought for Schedule K, so that, as he said, American workingmen could be protected from cheap labor. This, by-the-way, is the same man who was quoted a few months ago as saying that he could not remember how many automobiles he had. Six dollars a week for imported “cheap labor,” and more automobiles than he can remember for the president! Where does the protection for the American workingman come in? How much does that individual, so much beslobbered by his pretended protectionist friends, profit by Schedule K? —Eastern Argus.

NEXT FALL'S CAMPAIGN.

In a tariff campaign next autumn, one can readily see certain deadly effects. The old argument that high duties are necessary to protect American labor will suffer the torments of the damned from the facts as to the employment of foreign labor in Massachusetts textile industries and the iron and steel industries of Pennsylvania. The Lawrence strike has ruthlessly paraded before the American people the fact that a large proportion of the mill operatives, many of whom work for \$4, \$5 and \$6 a week, cannot even speak the English language. In the steel mills of Pennsylvania the same condition prevails. Is this the “American labor” the country has been asked to protect all these years? On the contrary, it is the “pauper labor of Europe” transported into our own mills by the manufacturers who pleaded so hard to be protected against it. Can the protectionists live through another campaign?—Springfield Republican.

IN AN ENEMY'S COUNTRY.

The American Protective Tariff League is no longer a political but a purely literary and altruistic organization. It does not now “care a cuss,” to quote an elegant Wakeman expression what a man's politics are, for the simple reason that a man's politics no longer certify his position on the tariff. It is solely devoted to high tariff and more of it through any and all parties and in appeal to intellect and the obvious advantage of all.

To this end and in this way it spent \$41,061 last year. It has 5,391 editors and publishers engaged in disseminating its literature. It has an “almost perfect” system of reaching every voter who may be influenced. It has a list of those who will vote the first time next November. It is in touch with college faculties and students. It can and sometimes does put out twenty-four tons of printed altruism per month. And if \$41,061 a year is not enough, the league has a membership representing hundreds of millions of wealth to draw upon.

What is the matter with the American people that it should require so much effort to teach them their obvious interests? These blessings of high tariff used to be so clear to the national sense that American money, it was said, could not be had to combat them, and Cobden Club gold flowed bounteously in to supply the deficiency. Now the boot is on the other foot. It is a sad indication of failing in the national mind and spirit.—New York World.

Tariff Publications

Obtainable From the American Free Trade League.

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"The Real Meaning of Protection," by B. G. M. Baskett, Secretary to The International Free Trade League. Price, 10 cents.

"A Substitute for the Tariff Upon Imports." By John Bigelow. A pamphlet privately printed. A limited number for sale. Price, 25 cents.

"The Tariff and the Farmer." By S. Payson Perry. Price, 25 cents.

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"Tariff Teachers Cross-Examined." By George Brickett. Price, 10 cents.

"FACTS" AND FACTS.

The Tariff in our Times. By Ida M. Tarbell. Published by The MacMillan Co., New York. Price, \$1.50 net.

Protectionists love to confront Free Traders with "Facts." Theories may do well enough for half-fed and half-baked academicians, they say; but as for us give us "facts," things we can understand.

Now, we Free Traders (and quite a number who are not Free Traders) have always assumed that the ratiocinative faculties were the chief distinction between man and brute. We have always thought that reason and theory were the digestive juices of the mind, in the absence of which in sufficient quantities, raw facts can not be assimilated, but rather will cause mental indigestion. But, of course, all this may be mere theory, too.

Well, a word in defense of the human powers of reason. Mere uncorelated facts can serve to little purpose. To get any good out of them, we must classify them and deduce from each group some general scheme or principle. Or we may form our theories first and then test them by their application to known facts. But, under either of the two forms of reasoning, namely deductive and inductive, it is the theoretic principle (built on, or justified by, facts) that we desire. Facts without a theory are worthless.

How about a theory without facts? That is, how about a given theory, logically unassailable, with which nevertheless some alleged facts do not appear to agree. This theory, to be actually logically unassailable, must have been traced from facts, from axioms, and from first principles; and now runs up against a few detached "facts" which are flung against it, usually without arrangement or any particular point of view.

These are the sort of "facts" of which the Protectionists boast. If there is any virtue in them, in other words if they really are facts, they must necessarily coincide with the theory; for it is inconceivable that a logically unassailable theory should be fallacious. If a theory is wrong, it can be proved to be wrong.

But quite a goodly number of the Protectionist "facts" are not facts at all. Most typical and frequent of this sort are the Protectionist citations of history. Therefore it is fortunate for the truth, and for political economists in particular, that the noted American investigator and authority, Miss Ida Tarbell, one of the Vice-Presidents of the American Free Trade League, has made a complete and accurate historical study of the tariff from its inception down to date, and has presented the results of this study to the public in her book en-

titled "The Tariff In Our Day," published by Macmillan Company. She gives facts, not theories; but her facts, unlike the Protectionist "facts," are the truth.

Here the deductive economists may find ample material for the erection of true theories; here the inductive economist may find ample material for the complete justification of his ideas; here the lover of truth can find a book of ready reference for the exposure of Protectionist misrepresentations. We have plenty of works by economists from which to rebut the fallacious arguments of Protectionists, but Miss Tarbell leads all in presenting a book from which to rebut inaccurate and untrue statements of alleged facts.

"My Story," by Tom L. Johnson, illustrated. Price \$2.00; by mail 20 cents extra.

"Passing of the Tariff," by Raymond L. Bridgman. Price, \$1.20. Published by Sherman, French & Co., Boston.

BRIEF FOR FREE TRADE.

(Continued from p. 10)

this Brief; the references are to that part of the Argument which corresponds to the designated # of the Brief. "Baskett," The Real Meaning of Protection, by B. C. Baskett, Sec'y of the International Free Trade League, obtainable of the American Free Trade League for 10c.; "Brickett," Tariff Teachers Cross Examined, by George Brickett, obtainable of the American Free Trade League for 10c.; "Broadside," The Free Trade Broadside, quarterly publication of the American Free Trade League, 25c. a year; "Ehrich's Cobden Address," obtainable of the American Free Trade League for 2c.; "Franklin and Freedom," a pamphlet by Joseph Fels, obtainable of Daniel Kiefer, 530 Walnut St., Cincinnati, O.; "Fruits of Protection," by J. A. Hobson, obtainable of the American Free Trade League for 2c.; "Hog Book," The Whole-Hog Book, by J. W. Bengough, obtainable of the American Free Trade League for 15c.; "Mill," John Stuart Mill in Political Economy; "The Passing of the Tariff," by Raymond L. Bridgman, Sherman, French & Co.; "Protection or Free Trade," by Henry George, obtainable of the Joseph Fels Fund, Cincinnati, Ohio, for 30c. (see our Front Page); "Redfield; Was the President Right, a speech by Congressman William C. Redfield; "Taylor," Elements of Taxation, by Newton M. Taylor, Equity Series, 1520 Chestnut St., Philadelphia, price 25c.; "Watson's Tariff Primer," by T. E. Watson, obtainable of The Jeffersonian, Thomson, Ga., for 25c.)

TARIFF A BURDEN TO FARMER IN AUSTRIA.

Key #60.

High protective tariff duties imposed on foods in Austria in 1906, ostensibly in the interests of the farmer, are meeting much opposition today because of the losses sustained by the agricultural interests. The points made by the opposition are reviewed in the following special article.

One of the most remarkable results of high protective rates on food has just been explained in Austria, by the publication of two brochures on the subject of the high tariff instituted in 1906, in protection of agricultural interests.

Dr. Braf, the minister of agriculture, commissioned the ministerial secretary, Professor Hoffmeister, to institute an inquiry having as its object the discovery of the failure of the tariff to protect the farmers. Professor Hoffmeister, in his own words, "began this census without feeling any doubt that he would find evidence of the improvement of Austrian agriculture as compared with 1906." To his intense surprise he discovered that the high food tariff, though penalizing the urban consumer, far from assisting the farmer was inflicting heavy loss upon him. The result of these inquiries has been summed up in the brochures of Baron von Pantz, and an interesting summary of them has been published in the Westminster Gazette.

Previous to 1906 the minimum duty on wheat was kr.1.79. The new law raised this to kr.6.30. For the sake of protecting the farmers an enormous burden was laid, in this way, on the consumer. The excuse for this alteration was found in the absolute necessity of preventing agricultural decay. So far, however, from the increase being justified by its results, Baron von Pantz began to notice that in his own country, in North Styria and Salsburg, a marked decline in the prosperity of the farmers immediately began to take place.

The reason for this decline the inquiry instituted by the minister of agriculture has made tolerably clear. It was discovered that only the large agricultural owners, or something between 5 to 10 per cent. of the farming class, were benefiting at all from the increased tariff. These large holders who possessed great grain surpluses were making a considerable profit out of the higher prices, but of the remainder 72 per cent. unfortunately possessed holdings so small that they had no surplus grain to part with.

This would have been bad enough, but the increased price of food necessitated an increase in wages and in all

the costs of production. The consequence was that a rise of something like 30 per cent. took place in the wages of all the allied trades—blacksmiths, locksmiths, saddlers, wagon builders and others—whom the farmer was bound to employ; so that there poured in one stereotyped complaint from the farmers of steady increased expenditure all round, while the increased profit was confined to a handful of large corn growers.

The inquiry was conducted with minute and scientific exactness and the brochure quotes numbers of cases, from the carefully kept books of the farmers, showing—to a single instance—how a cash outlay of £33 rose to £64, simply owing to the new tariff, while on this loss of £31, the farmer was only able to recover £16, as additional profit from the sale of corn. In plain English, the enormous increase in the price of corn had worked out in the particular case quoted to an actual increase of 50 per cent. in working expense, without any corresponding gain.

This case is taken from the corn-growing districts where the agriculturists have suffered least from the increased tariff. When the grain-growing districts are left and the other agricultural districts are entered, the loss, of course, is infinitely greater. In the Winerwald the loss sustained has been persistent and considerable; but perhaps the worst conditions have prevailed in the mountainous Alpine districts. Here the farmers, face to face with an enormous rise in grain, which they are compelled to purchase, find themselves without any means of recouping the loss.

An irresistible wave of paupérism, Baron von Pantz declares, is overwhelming the Alpine districts, and within a few years, if the tariff evolved for the "salvation of the farmers" is not repealed the Socialists will sweep the Alpine constituencies with the same ease with which they have succeeded in dominating the urban constituencies.

Meanwhile the urban constituencies, completely ignorant of the actual facts of the case, are growing daily more and more socialistic under the impression that they are being sacrificed to make the fortunes of the farmers. The sole gainers, it appears, are the handful of great owners, whose profits and whose property have risen in value exactly in proportion to the loss of the farmers and the urban population. The land sales in the great corn-growing districts show an increase in price of 30 to 100 per cent, but with this exception, the whole of the rest of the country is suffering for the "salvation of the farmer."

What labor needs is not Protection, but Justice.—Tom L. Johnson.



Photo by Harris & Ewing

Courtesy of LaFollette's.

AKIN'S SPEECHLESS SPEECH.

Honorable Theron Akin, Congressman from New York, caused a considerable stir recently in the House of Representatives when he made a wordless debate on the tariff. The discussion was proceeding under the rule allowing five minutes time to each participant, when Congressman Akin secured recognition from the Chair to take part in the debate. Upon being recognized, he walked solemnly down to the front of the Chamber, carefully untied and unwrapped a large package and pulled out a placard which he placed against the Clerk's desk. Then, without uttering a word in explanation he walked back to his seat, leaving the amazed law-makers to study for five minutes the chart thus placed before them.

On the chart was simply the words, "Object lesson in the full dinner-pail," and the representation of a bulging dinner-pail labelled "1900" and beside it a shrunken dinner-pail labelled "1913." We suppose that the shrunken dinner-pail represented a prophecy, but there will have to be quite a considerable change from present conditions to make it anything but a fact when 1913 arrives.

We hope that this simple little speech will interest our Protectionist friends who are always crying for "facts."

AD VALOREM AND SPECIFIC DUTIES.

The object of this article is not to determine which of the two forms of duty, namely specific and ad valorem, is the better; but to determine which is the worse. As Free Traders, we are opposed to all duties, but we are glad to point out how some duties are worse than others, especially when the worse form of the two is the form now in practice under the tariff act which is our immediate point of attack.

Ad valorem duties are duties computed at a given percent. of the value of the goods. Specific duties are duties

computed at so much per article or per unit of measure. For example, a duty of sixty cents on each dollar's worth of blankets is an ad valorem duty; whereas a duty of thirty cents a bottle for wine or eleven cents a pound for grease-wool is a specific duty.

The specific duties are the worse. Let us take the duty on wool as an example. At the present time there is quite a feud on between the Carded Woolen Manufacturers and the Worsted Manufacturers. The Carded Woolen Manufacturers buy a low grade of wool which contains large quantities of grease and dirt. This wool they card and scour and make into the low priced clothing which is bought by the poor. The Worsted Manufacturers buy a high grade of grease wool, containing very little grease. This they comb and scour and make into the high grade worsted clothing bought by the rich.

On grease wool there is a duty of eleven cents a pound. One thousand pounds of low grade grease-wool has to pay a duty of \$110. After scouring it produces two hundred pounds of low grade carded woolen. The smallness of the quantity of the resulting scoured wool, makes the wool which enters the clothing of the poor bear a duty of fifty-five cents a pound, in its final scoured state.

One thousand pounds of high class grease wool pays the same duty of \$110. After scouring, eight hundred pounds are left. Thus the duty on the resulting scoured wool, which goes into the rich man's clothes, is only fourteen cents a pound.

The specific duties in this case make the poor man bear a duty of fifty-five cents for low grade wool, while the rich man has to bear the duty of only fourteen cents on high grade wool. This distinction is right in line with numerous distinctions in other schedules, where the clothes of the poor are more highly taxed than the clothes of the rich; the only difference being that in this particular instance, the discrimination is

cleverly concealed under the technical terms which we have just explained.

Let us base the duties on the money value. They will be fair to all; that is, as fair as any duties can be.

MISLEADING HIS MOTHER.

(Continued from page 3)

drawing conclusions from the fact that the tariff is levied on the wholesale price of the goods imported. The Protectionists argue that the price to the consumer is only increased by the amount paid out at the time of importation. This is not true. The importer, the middleman and retailer, each must make a certain profit on his investment. If the original investment of the importer is increased by reason of his having to pay a fifty percent. duty, that fifty percent duty is carried straight through the profits of all parties, and the final price is fifty percent higher than it would be without the tariff. This matter is further discussed under Key #59.

I also wish to take exception to the common Protectionist assumption adopted by your author, to the affect that prosperity of a few benefits the many. This is only true when the sum-total of individual prosperity is increased by the prosperity of the few, and is most decidedly not true when the sole source of the prosperity of the few is the impoverishment of the many. This point is further discussed under Key #60.

I also object to his personification of the Nation. National commercial strength is not increased by taking strength from one part of the Nation and concentrating it in another part. In fact, there is no such thing as National strength except the sum-total of the individual strength of those that constitute the Nation. This point is further discussed under Key #61.

This letter is not sent with any hope that you will publish it, for I have read the footnote to your article, above referred to. But I suggest, out of fairness to your readers, that you publish the citations I have given above. Anyone wishing further information on these points can write the American Free Trade League, 6 Beacon St., Boston, for copies of the Free Trade Broadside containing elucidation of the Key Number in question. I also suggest that in the future you consult both sides before attempting to take the middle ground on subjects of a controversial nature, and that you print in connection with each article, citations to the publications of both sides on disputed points.

Very truly yours,
ROGER SHERMAN HOAR,
Sec'y, American Free Trade League.

The Whole Tariff Question

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A studious economist, and untiring worker of the American Free Trade League, Mr. Henry Baldwin of Connecticut, has been engaged in a most interesting attempt to secure copies of the U. S. Consular reports to aid him in the preparation of some Free Trade statistics. The letters which he has received from the Department of Commerce and Labor show a disinclination to furnish these reports to anyone who is engaged in breaking down the protective system. Mr. Baldwin is an economist and a farmer, and as such is entitled to as much recognition by a government bureau as is any tariff beneficiary. Some progressive Congressman should see to it that Mr. Baldwin gets the reports and completes his statistics.

The Assistant Secretary of the American Free Trade League, Mr. Whitfield L. Tuck, is also the Congressional Secretary of the College Men's Democratic League. In the latter capacity, he has made arrangements for securing under frank the leading Congressional speeches on political topics of the day. Members of the Free Trade League should take advantage of this. Address orders to Mr. Tuck at 6 Beacon street, Boston. There is no charge for this service.

The best collection of tariff statistics is that contained in the speech of Hon. Robert L. Owen in the United States Senate, June 15, 1909. Send to the Assistant Secretary of the American Free Trade League for a copy.

The reason for the lateness of this issue of this paper is that the editors wished to wait until the presidential nominating conventions should be over, and then print a comparison of the two candidates and the two platforms from the Free Trade point of view.

The Hat-Trees of Ireland

A Little Tariff Fairy Tale. By James J. Dooling.

(Key No. 438.)

Men have a wrong idea entirely of the fairies. We used to think the "good people" were always the free-and-easy creatures they are now, doing no work and diverting themselves by dancing in rings in the moonshine. But the fairies used to work in the old days—at least in Ireland. They did that! They used to labor till they had cricks in the small of their backs, before they discovered the fairy godmother. Then they took to loafing, and have worked hard at it ever since.

Once upon a time in the old days, when they dived and span, there was a fine trade between the fairies of Leinster and Munster. But trouble grew out of it. And all because the fairies of Munster were not content to let well enough alone. Now, I'm not saying this because I'm a Leinster man myself. It's the truth I'm after, and I'd tell it even in a court of law, under oath. To go on with the story: One province was famous for some kinds of goods and the other for others. I'm not after saying that the Munster spiders were cleverer than the Leinster, but, be that as it may, the Munster fairies wove their webs into the softest silks and made them up into tunics and robes that were that cute they were the pride of the fairy gentry of the two provinces. But when it came to hats, the Leinster fairies had them beat entirely. The Leinster hats were the talk of all Ireland. The king of the Munster fairies himself, and vain enough he was of his good looks and fond of the fairy ladies, never took a quiet stroll, by the way of no harm, without calling for his Leinster hat! The story goes that his queen was raging jealous and fond of him, and more by token, when she saw him stretched out on his royal couch with his Leinster nightcap on him.

Trade was free and easy between the two provinces, and the sky was black with wasps and humming birds carrying freight for the "good people." That was all well enough, but it was too fine to last. There was a change, and it came about in this way.

When the Munster hatters found that the Leinster hats had that vogue that the king of Munster himself would rather wear one than his own gold crown, it put the badness into their heads. They raised a fearful hullabaloo, and said to each other, "What are we to do at all, at all; these Leinster hats will be the death of us." Then the cutest of them spoke up, and said he: "The thing to do is this: to put a

price on every blessed hat coming out of Leinster—the price to go to the king. That will fix them. Everyone will buy our hats because they're cheaper." No sooner said than done. They clapped a duty of 10 on the hundred on every hat, cap and nightcap coming out of the Leinster.

When the king of Leinster heard of these doings he was in a great state of mind. But, being a peaceable soul, instead of making war, he took himself off in his royal coach on a visit to Munster. As soon as the two kings had kissed each other: "What's this they do be telling me about the price you've put on my hats?" said the king of Leinster to the king of Munster. "Is it the truth it is that you've put a price on them?"

"I have that," said he, "10 on the hundred, and 'twill be paid, every penny of it," said he, "or the devil a Leinster hat will enter the country." Then the words began.

"Whatever put it into your head to do it, I can't think for the life of me," said one.

"We couldn't compete with you in the matter of hats; sure we couldn't sell them as cheap as you could," said the other.

Then the king of Leinster up and told him: "Faith," said he, "is it blaming us you are for selling too cheap to you?"

"We're not blaming you at all," said the other, "it's protecting ourselves we are."

"Will you listen to reason?" said the king of Leinster to the king of Munster.

"I will so," said he, "if you'll give me a trifle of it."

"Well, then, here's reason for you. What would you say if I offered you two hats for the price of one?"

"I'd say," said the king of Munster, "that it would be the ruination of my hat trade. That's what I'd say."

"Suppose, then," said the king of Leinster, trying him, "suppose, then, we gave you four hats for the price of one? It would be worse still, wouldn't it? Answer me that!"

"I will," said the other, as bold as a lion. "It would."

Then, trying him again: "What would you say if we gave you eight for one?"

"I say right here and now," said the king of Munster, "I don't want any more arithmetic. I never could make a fist of it, anyhow."

"You're an omadhaun," said the king of Leinster, and with that he left him.

Once back in his own country, he was

all for going to war, but he thought better of it, and went to see his godmother instead. "Whist," said she, when the king had told her all his troubles, "whist, I'll give you a little white magic, and if you'll do as I'm telling you, you'll be able to make two hats for the price of one."

"Saints alive, listen to her!" said the king, "if it isn't the very thing I said to the king of Munster."

Sure enough, with the aid of his godmother, the king was able to make the hats so cheap that they went into Munster as easy as Kilkenny cats into a fight.

There were great times when the king of Munster saw the Leinster hats invading his kingdom once more. He was that mad that he couldn't eat nor drink. "But sure and steady does it," said he. "I have a way of keeping them out yet. I'll put a still bigger duty on them." And he did.

Then the king of Leinster called on his godmother the second time.

"It's stronger magic you need," said she. "How will four hats for the price of one do for you?" says she.

"I'm in mortal fear that it won't do at all," said he. "He'll raise the duty on me again. But there's no harm in trying it."

"What's this!" said the king of Munster. "Tarranounds! they're coming in again. We'll have the law on them again." And he did.

In the greatest distress, the king of Leinster consulted his godmother for the third time. "If white magic won't do, I'll give them a taste of the black," said she to her godson. At that the king groaned, for he was a pious soul, and faithful to all his duties, barring the fact that he couldn't keep his eyes off the fairy ladies, his weakness for them was that strong.

"Faith, then," said the godmother, "if we're not to be let sell them our hats, at all events we'll keep them from selling their own."

"Can you do it?" said he.

"I can," said she. "Maybe you didn't notice a hat-tree in the vestibule of my palace?"

"I did," said he, "and a fine one it is. But what has that got to do with it?"

"Hold your whist, and I'll tell you," said she. "At the stroke of midnight, when there's the full of the moon, I will carve that hat-tree into ten thousand cuttings, and breathe over them a few words, about which the least said the soonest mended, but that's neither here nor there," said the godmother, as if she had something on her mind that was giving her trouble. "These cuttings you will send to Munster by secret messengers. On your life, don't have a married one amongst them. Let them

sow the cuttings broadcast over all Munster. Nature and the words I won't mention will do the rest."

All was done as the godmother said, and the cuttings of the hat-tree from the palace vestibule were sown. Soon Munster was fairly alive with hat-trees bearing on their topmost branches Leinster hats so modish and becoming that the fairies were beside themselves with the delight of it.

But there was another side to it. Some of them never got over the worry of thinking that they were saved the bother of making the hats. These were the class of thinkers among them that used to think that it was a grand good luck when a hat shop or factory burned down, for it made more work for the hatters. These poor innocents went raising ructions about the ruined hat trade of Munster. They were much given to waving thistledown in the faces of them they were arguing with—the thistledown being at that time, as it were, the national flag of the fairies of Munster.

They tried to chop down the hat-trees, so that they might have the work and profit of making hats again, but the magic was too much for them. Books were written galore, and the bibliography of those days devoted 23 pages to the heading "Hat-trees."

Those that spoke a good word for the trees and their cheap labor were called tree traders. The others, that thought it was best to get their hats with all the difficulty possible, used to go trapezing up and down all Munster calling themselves protectionists and swelling out their chests as they named themselves.

At all events the king of Leinster had his revenge on the Munster hatters, but for all his blarney he never could get from her the words of black magic spoken by his fairy godmother.

QUESTIONS FOR PROTECTIONISTS.

By R. E. PORTER.

With answers by our Key No. System.

If free trade means reduction of wages, why are wages higher now in England than when that country first adopted a free trade tariff?

Ans.: ##16 & 18.

Why are wages higher in England than in the countries of Europe, where the protective tariff swindle is in force?

Ans.: ##16 & 18.

If the protective tariff can raise wages and keep them up, why is it that in the protected industries wages are lower than in the unprotected industries of the United States?

Ans.: ##16 & 18.

There is absolute free trade between the States of the Union. Why is it not

necessary to reduce wages in Massachusetts to the level of States where lower wages are paid?

Ans.: #63.

Would protected manufacturers desire a tariff duty if it cheapened what they sell (goods) and make dearer what they buy (labor)?

Ans.: #25.



If a protective tariff is good, would not a prohibitive tariff be better?

Ans.: #3.

If international trade is impoverishing, why is not interstate trade equally hurtful?

Ans.: #63.

Can trusts be injurious, yet the tariff fostering them be beneficial?

Ans.: #51.

Is it a "square deal" when American manufacturers sell goods in foreign countries for much less than they sell the same kind of goods to American consumers?

Ans.: #22.

When Americans can undersell the foreigner in the markets abroad, is not that evidence that under free trade the Yankee could easily hold the home market?

Ans.: ##21 & 22.

American and English weavers are paid \$9 and \$6 a week respectively. The former produces 2100 yards and the latter 1100 yards a week. Isn't the American the cheap producer? Wouldn't the same principle apply to other occupations?

Ans.: #19.

Why was it that the Western States didn't need a tariff against the hoary old infant industries of the older sections of the United States?

Ans.: #63.

Why do the beneficiaries of the protective tariff go to State Legislatures and oppose labor legislation that would benefit the children and women workers in the mills and factories at starvation wages?

Ans.: ##14 & 53.

Constitutional Aspects

From a Speech of Senator Robert L. Owen.

#50.

Article I of section 8 of the Constitution lays down the authority of Congress, which every Senator must construe on honor to the best of his judgment and according to the dictates of his conscience—

That the Congress shall have power to levy and collect taxes, duties, imposts, and excises to pay the debts and to provide for the common defense and general welfare of the United States.

When, under the color of raising the revenue for the common defense and general welfare of the United States, a duty is imposed having for its purpose to prevent importations and prevent a revenue being derived from such pretended revenue law, it is a transparent wrong, a violation of the spirit of the Constitution itself, and is not Democratic doctrine. Taxation can only have for its legitimate object the raising of money for public purposes and the proper needs of government economically administered, and the exaction of moneys from citizens for other purposes and to favor private interests at the expense of all the people is not a proper exercise of this power. No one has more strongly expressed than Cooley the distinction between a duty imposed for revenue under the constitutional authority and a duty imposed for the purpose of preventing imports, and thereby protecting some industry from competition. Cooley says:

It is only essential that the legislature keep within its proper sphere, and should not impose burdens under the name of taxation which are not taxes in fact; and its decision as to what is proper, just, and political must then be final and conclusive. (Con. Lim., 7th ed., p. 678.)

John Marshall said, in *McCulloch v. Maryland* (4 Wheat., 316):

The power of taxing the people and their property is essential to the very existence of government, and may be legitimately exercised on the objects to which it is applicable to the utmost extent to which the government may choose to carry it. The only security against the abuse of this power is found in the structure of the government itself. In imposing a tax the legislature acts upon its constituents. This is, in general, a sufficient security against erroneous and oppressive taxation. The people of a State, therefore, give to their government a right of taxing themselves and their property; and as the exigencies of the government can not be limited, they prescribe no limits

to the exercise of this right, resting confidently on the interest of the legislator and on the influence of the constituents over their representative to guard them against its abuse.

And in the case of *Providence v. Billings*, 4 Pet., 514) he said:

The power of legislation, and consequently of taxation, operates on all persons and property belonging to the body politic. This is an original principle, which has its foundation in society itself. It is granted by all for the benefit of all. It resides in the government as part of itself, and need not be reserved where property of any description, or the right to use it in any manner, is granted to individuals or corporate bodies. However absolute the right of an individual may be, it is still in the nature of that right that it must bear a portion of the public burdens, and that portion must be determined by the legislature. This vital power may be abused; but the interest, wisdom, and justice of the representative body and its relations with its constituents furnish the only security where there is no express contract against unjust and excessive taxation, as well as against unwise legislation generally.

With the consent of the Senate, I desire to insert in the Record an extract from Cooley and from the decisions of the Supreme Court upon this point.

THE PURPOSES OF TAXATION.

Constitutionally a tax can have no other basis than the raising of a revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is, not to raise a revenue, but to discourage and indirectly prohibit some particular import for the benefit of some home manufacture, may well be questioned as being merely colorable, and therefore not warranted by constitutional principles. But if any income is derived from the levy, the fact that incidental protection is given to home industry can be no objection to it, for all taxes must be laid with some regard to their effect upon the prosperity of the people and the welfare of the country, and their validity can not be determined by the money returns. This rule has been applied when the levy produced no returns whatever; it being held not competent to assail the motive of Congress by showing that the levy was made, not for the purpose of revenue, but to annihilate the subject of the levy by imposing a burden which

it could not bear. (*Veazie Bank v. Fenno*, 8 Wall., 533.) Practically, therefore, a law purporting to levy taxes, and not being on its face subject to objection, is unassailable, whatever may have been the real purpose. And perhaps even prohibitory duties may be defended as a regulation of commercial intercourse.

LEVIES FOR PRIVATE PURPOSES.

Where, however, a tax is avowedly laid for a private purpose, it is illegal and void. The following are illustrations of taxes for private purposes. A tax levied to aid private parties or corporations to establish themselves in business as manufacturers (*Loan Association v. Topeka*, 20 Wall., 655, 663; *Alley v. Jay*, 60 Me., 124); a tax, the proceeds of which are to be loaned out to individuals who have suffered from a great fire (*Lowell v. Boston* 11 Mass., 454); a tax to supply with provisions and seed such farmers as have lost their crops (*State v. Osawakee*, 14 Kans., 418); a tax to build a dam, which, at discretion, is to be devoted to private purposes (*Attorney-General v. Eau Claire*, 37 Wis., 400); a tax to refund moneys to individuals, which they have paid to relieve themselves from an impending military draft (*Tyson v. School Directors*, 51 Penn., Sr., 9; *Crowell v. Hopkinton*, 45 N. H., 9; *Usher v. Colchester*, 33 Conn., 567; *Freeland v. Hastings*, 10 Allen (Mass.), 570; *Miller v. Grandy*, 13 Mich., 540); and so on. In any one of these cases the public may be incidentally benefited, but the incidental benefit is only such as the public might receive from the industry and enterprise of individuals in their own affairs, and will not support exactions under the name of taxation.

But, primarily, the determination what is a public purpose belongs to the legislature, and its action is subject to no review or restraint so long as it is not manifestly colorable. All cases of doubt must be solved in favor of the validity of legislative action, for the obvious reason that the question is legislative, and only becomes judicial when there is a plain excess of legislative authority. A court can only arrest the proceedings and declare a levy void when the absence of public interest in the purpose for which the funds are to be raised is so clear and palpable as to be perceptible to any mind at first blush. (*Broadhead v. Milwaukee*, 19 Wis., 624, 652; *Cheaney v. Hooser*, 9 B. Monr. (Ky.), 330, 345; *Booth v. Woodbury*, 32 Conn., 118, 128; *Hammett v.*

Philadelphia, 65 Penn. St., 146; *Tide Water Co. v. Coster*, 18 N. J. Ep., 518.)

But sometimes the public purpose is clear, though the immediate benefit is private and individual. For example, the Government promises and pays bounties and pensions; but in every case the promise or payment is made on a consideration of some advantage or service given or rendered or to be given or rendered to the public, which is supposed to be an equivalent; and the law for the payment has in view, only the public interest, and does not differ in principle or purpose from a law for the payment of salaries to public officers. The same is true where a State continues the payment of salaries to officers who have been superannuated in its service. The question whether they shall be paid is purely political and resolves itself into this: Whether the State will thereby probably secure better and more valuable service, and whether, therefore, it would be wise and politic for the State to give the seeming bounty.

Where a law for the levy of a tax shows on its face the purpose to collect money from the people and appropriate it to some private object, the execution of the law may be resisted by those of whom the exaction is made, and the courts, if appealed to, will enjoin collection or give remedy in damages if property is seized. But if a tax law on its face discloses no illegality, there can in general be no such remedy. Such is the case with the taxes levied under authority of Congress; they are levied without any specification of particular purposes to which the collections shall be devoted, and the fact that an intent exists to misapply some portion of the revenue produced can not be a ground of illegality in the tax itself. In cases arising in local government an intended misappropriation may sometimes be enjoined; but this could seldom or never happen in case of an intended or suspected misappropriation by a State or by the United States, neither of them being subject to the process of injunction. The remedies for such cases are therefore political and can only be administered through the elections. (Cooley's *Principles of Constitutional Law*, Chap. IV, p. 57, *The Powers of Congress*.)

The bills of rights in the American constitutions forbid that parties shall be deprived of property except by the law of the land; but if the prohibition had been omitted, a legislative enactment to pass one man's property over to another would, nevertheless, be void. (See Cooley's *Con. Limitations*, p. 208.)

Nor, where fundamental rights are declared by the Constitution, is it necessary at the same time to prohibit the legislature, in express terms, from tak-

ing them away. The declaration is itself a prohibition, and is inserted in the Constitution for the express purpose of operating as a restriction upon legislative power. (See Cooley's *Con. Limitations*, p. 209.)

Cooley also states on page 587, in speaking of the power of taxation, as follows: "Taxes are defined to be burdens or charges imposed by the legislative power upon persons or property, to raise money for public purposes."

Again on page 598, he says: "Everything that may be done under the name of taxation is not necessarily a tax; and it may happen that an oppressive burden imposed by the Government, when it comes to be carefully scrutinized, will prove, instead of a tax, to be unlawful confiscation of property, unwarranted by any principle of constitutional government. In the first place, taxation having for its only legitimate object the raising of money for public purposes and the proper needs of government, the exactions of moneys from the citizens for other purposes, is not a proper exercise of this power, and must therefore be unauthorized."

The Supreme Court of the United States, in the *Topeka* case, said:

"To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation; it is a decree under legislative forms." (20 Wallace, 664, in *Loan Assn. v. Topeka*.)

Mr. Cooley, in *Constitutional Limitations*, points out with great force that a legislator has no constitutional right, under the color of imposing a duty by which to raise revenues, to pass a law which, in fact, has the purpose to prevent importation and the raising of revenue by such pretended duty, but which in reality has for its purpose to build up private fortunes by preventing competition.

CORRESPONDING SOCIETIES.

The American Free Trade League is in touch with the following Free Trade organizations, throughout the world. Will any reader of the *Broadside*, who knows of any other society of this sort, please communicate at once.

Dutch Free Trade League, The Hague, Holland. Secretary, Dr. A. Heringa.

Australian Free Trade Association, Melbourne, Australia. Secretary, W. H. Renwick.

French Free Trade League, Paris, France. President, M. Yves Guyot, Sec-

retary, M. Daniel Bellet. Publication "Le Libre-Exchange."

Society of Political Economy, Bordeaux, France. Secretary, M. A. Nicolai. Publication, "Revue Economique." (every two months).

International Free Trade League, London, England. Secretary, B. G. M. Baskett.

Cobden Club, London, England. Chairman of Committee, Lord Welby, Secretary, B. G. M. Baskett. Publication, pamphlets.

Free Trade Union, London, England. President, The Rt. Hon. Arnold Morley. Secretary, W. W. Champness. Publication, "The Free Trader." (Monthly).

The Free Trade League, Calgary, Alberta, Canada. Hon. President, Dr. M. Clark, M. P. President, Geo. H. Ross. Secretary-Treasurer, E. J. Fream.

Single Tax Organizations:

Danish Henry George Movement, Copenhagen, Denmark. Publication, "Ret." (Right). Monthly.

The United Committee for the Taxation of Land Values, London. Secretary John Paul. Leaflets and pamphlets.

Joseph Fels Fund of America, Cincinnati, O. Daniel Kiefer, Chairman.

LA FOLLETTE'S PLATFORM.

The platform offered by Senator La Follette's "Progressives" in the Republican convention contained the following tariff plank:

The Tariff has been instrumental in building up American industry, but it has been seized upon by powerful interests to take unjust advantage of consumers and wage-earners. We favor a continuation of the protective policy for the benefit of the producing classes, but demand that the tariff schedules be reduced to the ascertained difference in the labor in this country and abroad, and so adjusted as to assure its benefit to labor and not to protect inefficient management nor place a premium on the further exhaustion of our limited natural resources. The investigation of these facts and the revision of schedules should be made by the proposed Federal Trade Commission, subject to the action of Congress, but such schedules as are generally recognized to be excessive shall be immediately reduced."

Whatever La Follette may be on other matters, he is a straight-out conservative on the tariff question. In the above plank, he resorts to the hackneyed reactionary sophisms about "equalizing the cost of labor at home and abroad," "protecting the working man," etc. Truly, no tariff beneficiary need fear La Follette's "progressiveness."

But this plank should serve as a warning to all true progressives.

A Tariff Argument for Debaters

ILLUSTRATED BY J. W. BENGOUGH

Part III (Continued).

Protective Tariff Indefensible.

#59 (continued.)

The other is caused by the increase of cost to industries which consume protected goods. Not only the tariff on eggs serves to boost the price of this article of food, but likewise the tariff on every article used by the chicken raiser. We make it harder to raise eggs when we tax chicken wire, lumber, nails, chicken-feed, etc. The taxes on everything that the owner of a chicken-farm uses for himself make it more necessary for him to boost the price of eggs. Thus the tariff would increase the price

These are free from any foreign competition that could be restricted by the tariff. About 72-3 percent. of our total population are engaged in manufacturing, mechanic arts and mining. Of these probably not more than 1-2 percent. are subject to urgent foreign competition, and probably not more than another 1-2 percent. is subject to any foreign competition at all. Assuming that our tariff is a great benefit to every individual engaged in work which could possibly be subject to foreign competition (this is more than the tariff advocates themselves contend), we find the tariff benefiting the large proportion of one and a quarter percent. of

some mysterious way a benefit to the Nation as a whole. This is in direct contradiction of our principle of conducting the Government for the greatest good for the greatest number.

There is no such thing as a "Nation," distinct from the sum total of its citizens. There is no such thing as "National Trade," distinct from the sum total of the trade of the individual citizens. Yet the term "National Trade" has got into general use, and is one of the bases of the Balance of Trade fallacy. It is not nations, but rather individuals of different nations, who trade. England does not lose by importing German goods. True, a small part of England may lose, but the great majority of English citizens is the gainer. But when one personifies England and thinks only of the injury done to a small part, and from that arrives at the conclusion that "England" is harmed, we have an illustration of the power of faulty phrases to mislead.

Rich men are a benefit to the community, but only to the extent that they increase the total wealth of the community. Taxing the many to make a few rich, does not increase the total prosperity. National trade that enriches a few at the expense of all is not a public benefit.

"Nationalism" is a degradation of "Nationality," yet the cry of "America for Americans" is one which appeals to the patriotic-minded at the first blush. When analyzed, it means "America for a small class of Americans." It is a contradiction of nationality, for it means that one class is more worthy than another of national protection.



of eggs even if there were no tariff on eggs themselves at all. The tariff is felt in the price of everything that we buy.

#60.

And now let us assume for the moment, for the sake of argument, that the tariff really does help all of those whom it is designed to help. Is it then a benefit? Let us make a rough division of American people and figure out what proportion could be benefited by the tariff. We will divide the workers into those engaged in agriculture, professional service, domestic and personal service, trade and transportation, and manufacturers, mechanic arts and mining. About 12 percent. of our people are engaged in agriculture. Of these it is impossible to conceive of more than 1-48, or 1-4 percent. of the total population, subject to foreign competition. About only 11-3 percent. of our total population are engaged in professional service. These are free from foreign competition. About 6 percent. of our total population are engaged in domestic and personal service. These are free from foreign competition. About 51-2 percent. of our total population are engaged in trade and transportation.

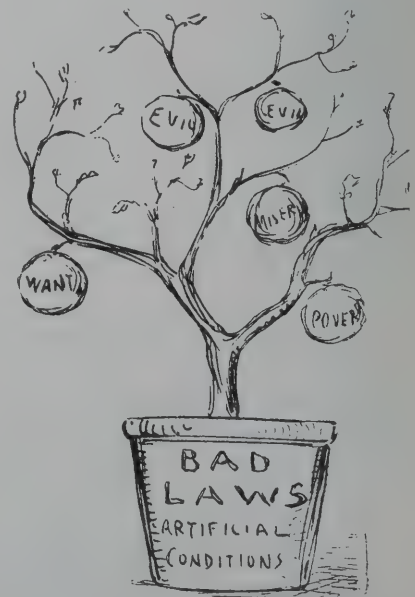
our total population. There is no such thing as general prosperity arising from the fact that a few are prosperous at the expense of the rest.

Not only is the tariff no benefit to the remaining 983-4 percent. of the American citizens, but it is a positive drawback. Every unprotected American industry and individual has to bear the burden of increased prices. And even the protected industries and individuals have to bear the burden of increased prices in what they buy.

The whole situation boils down to this: the tariff creates special privilege for the few at the expense of the many.

#61.

In spite of the obvious fact that the tariff hurts more of us than it can possibly help, in spite of its far reaching ramifications, in spite of the fact that its benefits are problematical, and in spite of the fact that the distribution of profits under a protective tariff must be left to the good faith of those who have everything to gain and nothing to lose by playing crooked; yet there seems to be a disposition on the part of many people to argue that, although harmful to a large majority of the individuals which constitute this nation it is in





In a Democracy like ours we like to see big enterprises, big industries, big men, to which we can point with pride and call them American. We like to pass laws which will make such great things possible. But in each case we should count the cost. Are we really increasing national greatness (that is, the sum total of all our individual greatness), or are we merely debasing ourselves by concentrating our individual greatness in a few individuals?

The tariff cannot benefit the nation, unless it benefits the individuals. We have seen that the tariff injures the individuals at every turn. Therefore, we should abolish it as a national menace.

#62.

We have seen how the tariff as a system of taxation is confiscatory, unscientific and against popular public policy; how it deprives the voter of a sense of responsibility; and how it is impossible of apportionment and is a mask for protection.

In its protective phase, it does not maintain high wages, nor relieve the employer of a burden of paying high wages. It is not a good form of stimulation of industry. It is not needed by, and may harm, beneficial industries; and is not a good object in the case of unnatural industries. It causes additional work without additional pay. It cannot be fairly distributed or collected; and if it could, would merely move in a circle without accomplishing anything. "Independence," "Home Market" and "Favorable Balance of Trade" are all harmful. Lastly, the protective tariff operates in the dark.

Turning from its lack of benefits to its more particular positive evils, we find that the tariff is in restraint of trade, destroys commerce, breeds war, retards civilization, violates the Constitution, breeds trusts, undermines business stability, has an immoral effect, increases prices, decreases wages, and in general injures more industries and individuals than it could possibly help if we were to admit everything claimed for it by its defenders.

This is a complete and scathing arraignment of the system. Let us now

turn to the positive advantages of Free Trade. Free Trade is natural; therefore the burden of proof is on the disturber of natural conditions to establish the reasons for his interference. We have seen that protection produces none of its vaunted benefits and that its disadvantages and evils are tremendous. The eradication of these evils is a sufficient reason for turning to Free Trade.

But we can go further in our proof. All through this argument we have touched again and again on the advantages of unlimited exchange. Free Trade will let in a flood of foreign goods. Free Trade will make the pauper labor of Europe work for us, in the place of the present system of pauperizing our own labor by making it do the work that it could have others do for it more cheaply. Free Trade would reduce the cost of every article which is now tariff protected. Free Trade would increase the value of our currency, thus having the same effect as if by act of Congress we were to call in every American dollar outstanding, and give in return a dollar-and-a-quarter or a dollar-and-a-half in money of the same value as that which we called in. Our whole argument is summed up in the brief statement that "Free Trade would free Trade."

#63.

Where has Free Trade been tried? Well, the United States is one of the best examples of what Free Trade can do for a country. The Fathers, in their wisdom, provided in the Constitution that no state should levy tariffs on imports from another state. We have pointed out earlier in this argument that the American states were not ruining each other by trade. Neither would the nations. Free Trade between the states is not only beneficial to the country at large, but is beneficial to each and every individual state. World-wide Free Trade would be beneficial, not only to the whole world at large, but to each and every individual nation. The present commercial greatness of the United States is because of the internal Free Trade that we do have and in spite of

our deprivation of the external Free Trade that we don't have.

#64.

But we hear it said that Free Trade would be all right if all lands would go in for it, and that for one to take up Free Trade before the rest would be to invite ruin. This argument goes on the assumption that if we take down our tariff wall, it will be for the advantage of those who send their goods in and not for those to whom they are sent. This in turn is founded on the Balance of Trade fallacy previously discussed. The truth is that it is for our advantage to get all that we can with the least possible effort and expense. As previously pointed out, labor in itself is no object. What we want is the fruits of labor.

Another reason for this argument that we should wait for other lands to adopt Free Trade; is an argument of temperament, not of logic; namely, that nothing can benefit us which benefits any one else. In other words, it is the policy of cutting off one's own nose to spite one's face.

This folly of waiting for reciprocal Free Trade is similar to the folly of increasing our tariffs as a reprisal against foreign nations. If another country sees fit to destroy one sixth of its profits by a tariff on all its imports, that action hurts them a lot more than it hurts us. We should be foolish to attempt to get back at them in the same way. If a grocer in a country town were to cut down by one sixth the amount of meat he bought and were to throw away the money represented by that one sixth, this course of action would hurt him more than it would hurt the butcher; and the butcher would be foolish to deprive himself of groceries for revenge...

In our whole tariff argument, we have been discussing the follies of protection and the benefits of Free Trade, from the point of view of the nation suffering under protection, or seeing the light and adopting Free Trade. Our country should not continue these burdens and deprive us of these benefits, merely because of the foolishness of other nations.



Points From Taussig

The following quotations, with Broadside Key Number and original page number, are taken from the recent book of Prof. F. W. Taussig, "Principles of Economics," Macmillan.

AMERICAN WAGES.

#16.

In the United States, by far the most common and most effective argument in favor of protection is that it makes wages high, or enables wages to be high. With many persons it is an accepted article of faith that American wages can be kept high, and the American standard of living maintained, only if there is protection against the goods made by the cheaper labor of other countries. Yet I conceive that no argument in favor of protection is more fallacious than that of pauper-labor competition.—p. 513.

A POPULAR FALLACY.

##16, 17, 22 & 37.

They (Protectionists) think of exports as bringing in money, and imports as taking money out, and money is the de-all and end-all of their economic thinking. Even if it is pointed out that a continuing excess of exports is due simply to other than merchandise transactions, and does not bring in specie, the notion still persists that exports somehow mean gain and imports loss. The elementary truth that exports are but a means of procuring the imports on easier terms than the same goods could be got by making them at home,—this is rarely grasped, or, if once grasped, is soon let slip.—p. 509.

PROTECTION AND OPPORTUNITY.

#24.

Protection restricts the geographical division of labor, causes industry to turn to less advantageous channels, lessens the productivity of labor, and so tends to lower the general rate of wages.—p. 516.

PROTECTION AND WAGES.

#27.

The free trader argues that if the (American) duties were given up and the protected industries pushed out of the field by foreign competitors, the workmen engaged in them would find no less well-paid employment elsewhere. Presumably they would betake themselves to the exporting industries, in which labor is advantageously applied. The protectionist answers that there would then be "overproduction" in those industries,—that more goods would be produced, prices would be lower, and then wages lower. No, replies the free

trader, there would be more goods, but not low prices or lower wages. For there is a new demand for these exportable goods, *pari passu* with the new supply. Goods are imported which were formerly made by protected industries. The new exports must be paid for by imports; there is a new foreign "market" replacing the last domestic "market." The eventual result, says the free trader, is that more workmen will be turned to the advantageous industries, and more goods will be exported in exchange for more imports; there will be higher wages (in terms of commodities) all around within the country, resulting from the more productive direction of its labor. In all this reasoning the free trader is right.—p. 514.

PROTECTION AND EMPLOYMENT.

#28.

That protective duties add to the demand for labor seems patent to the everyday man, and especially to the workingman. When imports are kept out, is it not clear that more employment exists for the workmen who make at home the things formerly imported? Here, again, people see only the first and most obvious results, and do not stop to think what other results must follow. If there are less imports, there will be less exports; and labor, if employed more in the new way, is employed less in the old. One of the most persistent of economic errors is the notion that employment is an end, not a means; and one of the hardest things to fasten to the average person's thinking is that the end to which employment should be directed is the increase of the national income—the total flow of consumable goods and of services which constitutes the real revenue of the community.—p. 511.

THE DREADED FOREIGNER.

#33.

Perhaps the ancient association of foreigner with enemy still lingers. People do not worry when New England buys coal from Pennsylvania; but when coal is bought from Nova Scotia, dire consequences are supposed to ensue. Half a century ago (more or less) the region which is now British Columbia was claimed by the United States to be part of its territory. Had the Oregon question been settled at that time in accord with the American claims, no one would have questioned that the resources of British Columbia in lumber, coal, and fisheries were of advantage to Americans. But once a border line is drawn, the situation is supposed to change; and that which would have

brought us gain in the way of more abundant and cheaper supplies is fraught with peril precisely because these supplies came from a foreigner.—p. 509.

THE "HOME MARKET" ARGUMENT.

#34.

When imports are checked, and the things previously imported are made at home, a home market is supposed to be created. It is created; but there is not, as protectionists commonly state or imply, an additional market. Another and different market is substituted. Here, again, most people's ideas do not get beyond the range of sales and of money dealings.—p. 510.

"TAXING THE FOREIGNER."

#57.

A duty on imports, and indeed any tax on a commodity, may fall for a while on the producer, foreign or domestic; while yet in the end it falls with its full weight on the consumer.—p. 519.

#38.

The balance of trade argument is not entirely convincing to some of us. Whenever China or Russia improve their balance of trade by exporting foodstuffs in time of famine, there seems to be something the matter with the mathematical self-sufficiency of this theory. If a freezing tramp should sell his clothes, he certainly would improve his balance of trade, although not his condition.—Hon. William Kent.

ISIDOR STRAUS.

To the sorrowing relatives of the late Isidor Straus, who nobly perished on the steamship Titanic, the following resolutions were sent by the secretary in pursuance of a vote of the American Free Trade League at its recent annual meeting:

"Isidor Straus was one of the true American heroes who, at the sinking of the Titanic, placed duty and altruism before personal selfishness. But even the base are often brave under the stress of excitement. Isidor Straus was not of this class.

"In business and in politics, he was as chivalrous as in his last hours. As a member of the American Free Trade League, he strove to prevent domination and destruction by brute force and selfishness, just as he strove to prevent it on the sinking ship.

"The world has lost one who was consistently, not momentarily, a man."

"Tariff Reform" in the United States

From "The Free Trader," London.

AN HISTORICAL PARALLEL.

Tariff reformers shut their eyes to the fact that in the United States of America, as in Germany and many other European countries, there is now in progress a violent revolt against Protection, which will not end in mere words. The revolt is only paralleled by that which swept over England in the 'forties.

Tariff Reform is likely to bulk largely in American politico-economic affairs during the next year; but Tariff Reform, it must be remembered, means something very different here from what it does in England. The popular demand in the United States is for lower duties. The nearest approach that there has been in England to the same situation in modern times was, perhaps, Cobden's agitation for the repeal of the Corn Laws.

"It is not complicated statistics, learned references to authorities, or figures nicely dovetailed that will satisfy the starving people of this country, and convince them that a band of dishonest confederates had not been leagued together for the purpose of upholding the interests of one body against the general good of the country."

So spoke Cobden in 1842. Eliminate the word "starving"—even the greatest American enemy of high Protection would not contend that high Protection had brought the American proletariat to that pitch—and his invective against the landed aristocracy of the Lords and the squirearchy of the Commons is paralleled today by the invective of American Radicals against the big business interests and their partners in political life, the beneficiaries and makers of the tariff.

TARIFFS AND TRUSTS.

The driving force of the revolt is undoubtedly the development in America of the hateful Trust system, the unholy offspring of Protectionism.

In the industrial world the past decade has been marked by the rise of Trusts. The Steel Trust, the Meat Trust, the Oil Trust, the Tobacco Trust, and a number of other huge consolidations of industrial units began to control the sale of the products for which they were responsible. At the same time prices continued to rise. Suddenly the country began to suspect that it was being preyed upon by some of these great organizations, and that, whether good or bad, such organizations made for high prices and undue profits for their promoters.

THE SCRAMBLE FOR "TARIFF PIE."

The assurance of our Protectionists

that their tariff "will only be a little one," is not worth considering. The American tariff was once a little one; but it grew into a monster. Every country is now experiencing the difficulty of shaking off the Tariff incubus, and none more than America. "Local interests" insist on being considered; and to obtain "consideration" they resort to the most discreditable form of bargain-making with one another.

The lowering of the tariff is likely to be just as much a matter of local interest as its upbuilding has been. The late General Hancock was practically laughed out of politics because he declared that the tariff was a local issue; but there was, and is, much truth in his unfortunate paradox. Every legislator wants to please his constituents by getting them protection for their products. Fiscal principles are prone to yield stern facts of practical politics when they descend from the realms of speculative theory to touch the pockets of constituents. Incidental protection can obviously be stretched to cover a number of local interests, even a revenue tariff would be the occasion for much bargaining. Each Congressman would be anxious that the Exchequer should get the maximum out of duties on his pet commodity, and, when it came to the question of reducing duties gradually, each would wish those duties to be the last to go. The same objections hold substantially against the simpler proposal that finds favor in certain Democratic quarters of having several successive all-round reductions upon all schedules of the existing law. The bargaining and log-rolling (i. e., the bartering of votes) entailed would almost certainly result in higher duties than those originally contemplated.

CLEANING THE STABLES.

Tariff Boards have been appointed to consider and report on various industries; and the findings with regard to the woolen industry are decidedly sweeping.

It is not the function of the Tariff Board to recommend; but its findings are universally considered to justify a reduction of duties upon both raw and manufactured or prepared wool. The report in dealing with costs of production makes it clear that the excessive American cost is due in part to the tariff upon machinery, etc., and to the general reaction of high Protection upon prices.

OLD FALLACIES EXPOSED.

One by one the old stock Protectionist fallacies, on which Protection was

founded and built up in America, are being thrown overboard.

The Tariff Board's report has dealt a shrewd blow to two cherished American fiscal theories—first, that American labor needs protection from cheap foreign competition; secondly, that duties must be based upon the difference of cost and production at home and abroad. The Board says that, as to cost of production, its investigations show "wide differences in efficiency and cost, but indicate in general that the lowest labor costs per pound are in mills paying the highest wages." Nor could it find any satisfactory basis for comparisons in cost of production at home and abroad. The cost of producing raw wool is in itself an almost impossible thing to arrive at—it was found to vary from 19 cents a pound in Ohio downwards, with an average of 9 1-2 cents. In South America the cost was said to be 4 or 5 cents a pound; and in Australia "a very few cents." In regard to manufactures the difficulty of finding a fixed standard was even more obvious. With so many divergent costs it will be hard to fix an equitable tariff upon that basis.

"SCIENTIFIC" TARIFF MAKING.

After all these years of "scientific" Protectionism in the United States we have here a candid admission that not even yet has experience been accumulated sufficient to enable the experts "to fix an equitable tariff." We are, however, assured that the "experts" on our own comic Tariff "Commission" have, docketed in its pigeon-holes, a complete, equitable, and wonder-working tariff for this country. Things are a bit slack just now with our Tariff "Commission" owing to circumstances which all its ingenuity and inventiveness do not enable it to control. Now is the time surely for the "Commission" to put some of its vast knowledge and experience of "scientific" tariff-making at the disposal of their unfortunate friends in America.

Little Jack Horner sat in a corner

Eating a Christmas pie,
He stuck in his thumb, but pulled out
no plum.

His mother said plums were "too high."

Nothing is ever settled until it is settled right. The protective tariff is all wrong. It is wrong in economics, wrong in morals, and a great corruptor in politics. Therefore the protest against it, and resistance to it, will never cease.—Professor Wm. G. Sumner,

The Wage Earner

(An Article Written by Request for that Paper.)

THE TARIFF AND THE WORKING MAN.

This article is addressed to the working men of America. You owe it to yourselves and your families to view the question impartially and to decide in favor of your and their best interests.

Friends of the tariff will tell you that its object is to build up great American industries, which could not survive without it. Following the same line of argument, we could construct hot-houses and raise bananas, which under a protective tariff, we could sell for five dollars apiece; but how much cheaper and simpler to buy our bananas from abroad, and devote ourselves to more productive lines of work! The truth is that any really paying industry can succeed without Protection; and that the rest are a waste, like banana raising in the north, though not to such an evident degree.

Is it not better to engage in high-grade American work, and with your wages to buy, duty-free, the cheap products of foreign pauper labor; rather than to shut out the products of pauper labor, and pauperize yourselves by going into their unproductive occupations?

Take advantage of this pauper labor and make it work for you.

You as consumers pay the tariff tax. Sometimes the American importer first pays it, and then passes the burden along to you in the form of increased prices. Sometimes the foreign shipper pays it, and then collects from the importer and he from you. In either case, you eventually pay.

Thus the tariff raises the price of foreign goods, and enables the American manufacturer to raise the price of his goods the same amount, and force you to pay a tariff tax on them too.

The tariff tax that you pay on foreign goods helps run the Government, but the tariff tax that you pay on American goods goes into the pockets of the Trust magnates. The idea is the same as though the tax collector of your city or town were to collect from you and the other citizens eight times as much as was needed, and then were to divide seven-eighths of it among a few capitalists. And the tariff is even worse than this, for the tariff tax is collected mostly from the laboring class. American citizens pay their tariff tax in proportion to what they consume, and not in proportion to their ability to pay. Working men have to spend almost every cent of their wages, and about a fourth of each expenditure goes to pay tariff; whereas rich people are able to invest most of their earn-

ings, and pay not a cent of tariff tax on their investments. The tariff is a beautiful scheme for tax-dodging.

Thus we see that the tariff is paid by the working class, and that most of it goes into the pockets of the capitalists. They can distribute it or not, as they please. Part of it is spent to swell Republican campaign funds, but there is nothing to prevent the capitalists from keeping the rest. Where do you come in?

An industry is like a pyramid; the many workers at the base, the few capitalists at the peak. Protection wrings twenty-five cents from every dollar of those at the base, and gives this money to those on top, in the hope that it will trickle down through and benefit all; but somehow those on top won't let it trickle.

As you pay the tax, it is you who ought to get it back; but, simpler still, don't take it from yourselves in the first place.

Free Trade would benefit you directly, by giving every dollar a full purchasing power of one hundred cents.

The Democratic Party is a Free Trade Party, or it is nothing. The conflict between Free Trade and Protection is irrepressible, and must be fought to the bitter end.—Col. Henry Watterson.

"What is a boomerang, Papa?"

"Well, an excellent example is making a high tariff campaign in a State election."

MR. WINSLOW'S SELECTION.

The following quotation from the address of Secretary Franklin MacVeagh, April 11, 1912, before the National Metal Trade Association, was selected by Mr. Erving Winslow of the dinner committee of the Free Trade League for printing and distribution at the recent annual dinner of the League. It is particularly noteworthy as coming from a prominent office-holder of a high tariff administration.

"It is hard to see how anyone can doubt that free trade will ultimately be the policy and practice of this country and of all other enlightened countries as well. The theory that we must make in our own country everything which we consume, and the theory that it is true prosperity to cut down and cut up, mine and burn, mine and melt, and parcel out as fast as possible every bit of the resources of nature, will fade out as civilization advances. It is sim-

ply impossible to conceive a free road to civilization and human progress unless the tariff walls are eventually and in the long run broken down."

POSSIBLE BENEFICIARIES.

#60.

Every one knows, and even Protectionists admit, that the tariff has some bad effects on every American citizen. But the Protectionists assert that the benefits to those connected with the protected industries more than offset the slight general evils.

The Free Traders contend that, even if the tariff benefits its supposed beneficiaries (which is not admitted), yet those beneficiaries bear such a small proportion to the total population as to be practically negligible.

On the opposite page is given a graphic representation of the proportion of possible tariff beneficiaries to the total workers of the United States. It was compiled by the late Edward Atkinson, the prominent Boston statistician, from the national census. He shows that the total number whose employment could possibly be prejudicially affected by the immediate and complete withdrawal of the tariff would probably not exceed 600,000, and certainly would not exceed 1,000,000 out of the 29,000,000 persons engaged in gainful occupations in the United States. The sizes in the diagrams are proportional to the amounts of the figures.

Mr. Atkinson's computation, of course, includes the employees in those industries which might be injured by a removal of the tariff aid which they now enjoy. But though a sudden removal or even large reduction of the tariff would reduce the employment of those classes of workers, it must not be presumed that a gradual reform would have any such effect. It would simply divert the fresh labor which continually flows in to feed these protected industries into other non-protected channels. For a tariff has no influence in enlarging the aggregate of employment in the country, nor are the real wages of employees in protected industries higher than in non-protected ones.

This being so we cannot rightly regard the workers among the 1,000,000 whom Mr. Atkinson accredits to the protected trades as genuine beneficiaries of the tariff. They make nothing out of protection now and would not suffer by the entire withdrawal of the tariff gradually accomplished. Indeed it is obvious that they would share with the rest of the workers of America in the higher money wages and the lower prices which would naturally flow from the greater productivity imparted to capital and labor by the adoption of Free Trade.

Possible Tariff Beneficiaries

#60.

a

1.—AGRICULTURE.

10,381,765.

a. Subject to foreign competition..... 200,000

Free from foreign competition..... 10,181,765

Average proportion of the products of agriculture exported
in recent years.

2.—PROFESSIONAL SERVICE.

1,258,739

Free from foreign competition.

3.—DOMESTIC AND PERSONAL SERVICE.

5,580,657

Free from foreign competition.

4.—TRADE AND TRANSPORTATION

4,766,964

Free from foreign competition.

*II*5.—MANUFACTURES, MECHANIC ARTS
AND MINING

Subject to urgent foreign competition, II.... 400,000

Subject in part to urgent foreign competition, III, 400,000

Free from foreign competition..... 6,285,992

III

Total..... 7,085,992

Current Press Opinions on the Tariff

AS A PARTY SOWS, SO SHALL IT REAP.

Why is the Republican party beset by its present difficulties?

This question can be answered with one word—tariff. Originally employed to meet the expenses of the civil war, and later used to offset the extensive internal taxes, which were so heavy that people complained about them constantly, the tariff gradually became the weapon of a small class of citizens who wanted wealth, and who saw a method to get it without work or effort. In the beginning the people were promised that after the tariff rates had been left in force long enough to do away with the necessity for internal taxes they would be removed. But before that was accomplished the privileged few discovered that in the tariff lay a weapon through the use of which they might force their fellow Americans to pay them tribute.

And when the tariff began to build up great fortunes, the Republicans who were responsible for it pointed to these great fortunes as evidence that the tariff was a good thing.

The leaders of the Republican party knew in their hearts that this was not the truth, and then and there did humbug and fraud become part and parcel of the party's program. First it was "infant industries," and then it was "protecting the American workingman." The people saw these "infant industries" grow into giant trusts, capitalized at million upon million, grasping their competitors by the throats, debauching legislators, throttling railroads, and defying everything and everybody who tried to thwart their will. After that the people saw "protected American workingmen" ground down to a wage level of the workmen of Europe. They saw that the workmen for the tariff trusts were being paid less and treated worse than any workmen in this country; and finally with the revelations that came with the Steel Trust investigation and the Lawrence, Mass., strike, they learned that labor conditions in the tariff—protected trusts were little short of barbarous and inhuman—practically the worst anywhere in the civilized world.

The people have learned at last that the tariff is a humbug; that it has no excuse in logic or economics, and therein lies the reason for the present troubles and woes of the Republican party. For this party will not admit its error. Republican leaders insist that these tariff trusts are still in the infant class. These leaders still contend that Ameri-

can workmen receive the benefits of tariff, when every schoolboy in the land knows that such contentions are little short of idiotic.

American consumers today are paying dividends on a trust capitalization of thirty-three billion dollars, seventy per cent of which is water; and American workmen—those of them who work for the trusts, receive wages as low as \$5 a week. These are the two great reasons why the G. O. P. is beset with woes and tribulations.—Chicago Bulletin.

"WORLD WIDE" CAUSES.

#72.

Already during this session of Congress many of the orators among the standpat Republicans have tried to explain the prevailing high prices with the argument that the high-price wave is world-wide. This is another of the half truths which the Republicans seek to have the people accept as a whole excuse.

Mr. R. H. Hooker, of London, read a paper before the Royal Statistical Society of England recently, in which he showed that the increasing cost of "all commodities" was twice as much in high-protection Germany and high-protection United States, as in Free Trade England.

"Comparing food prices for this year with 1899," said Mr. Hooker, "we find there has been an increase of 1 per cent in France; 8 per cent in England; 25 per cent in Germany; 28 per cent in Canada, and 34 per cent in the United States."

Why is it that "world wide causes" result in an increase of 1 and 8 per cent in France and England and 34 per cent in this country?

Protection and Immigration.

High protectionists always address their appeals to farmers and working men. "High tariff," they argue, "means high prices for farm products and high wages for the workers."

Last year 145,000 American farmers, all of whom were supposed to be enjoying the fruits of a high tariff left this country and went to Canada. In the same period approximately a million laborers came to this country from abroad, 81 per cent of them coming from the south of Europe, where wages are low, education almost nothing, and standards of living primitive. These laborers are taken in by the trusts to fill Americans' places at wages but little better than they got at home, and under conditions of employment unthinkable to American workingmen.

Thus the high tariff drives out good American farmers, and brings in—what? —Pottstown (Pa.) Blade.

A WALLOP AT SCHEDULE K.

The protected mill interests of the country succeeded in preventing an investigation by Congress of the terrific Lawrence strike, not so much out of consideration for the accused city officers of Lawrence as for the sake of the whole flimflam of the woolen schedule. Hitherto that bit of bunco has been maintained on the plea of the high-wage cost of production in the United States and the consequent disadvantage of the American manufacturer. The high-wage falsehood was forever disposed of when a group of the half-starved beneficiaries of Schedule K appeared before the Labor Committee of the house. The Woolen Trust wanted no more of that sort of thing, and Senator Lodge and Senator Gallinger, who chiefly represent it, were able to maneuver the project off the map. They thought this was good work, the idea being that if the matter were dropped just at that time, the public, in whose short memory these gentlemen have implicit confidence, will soon forget the whole matter and be ready again to believe that nothing but Schedule K stands between this country and "the pauper-made goods of Europe." I have seen the public forget some things that it ought to remember, but the spectacle of hundreds of child mill-workers, half clothed and quarter fed, has never been of the order of things that it forgets. The lesson has sunk into the public mind; Mr. Lodge and the rest may be sure they have not heard the last of it, investigation or no investigation.—Charles Edward Russell in the Cosmopolitan.

Holding one of the principles of eternal justice to be the inalienable right of every man freely to exchange the result of his labor for the productions of other people, and maintaining the practice of protecting one part of the community at the expense of all other classes to be unsound and unjustifiable, your petitioners earnestly implore your honorable house to repeal all laws relating to the importation of foreign corn and other foreign articles of subsistence; and to carry out to the fullest extent, both as affects agriculture and manufactures, the true and peaceful principles of Free Trade by removing all existing obstacles to the unrestricted employment of industry and capital.—Resolution by the Anti Corn Law League, Manchester, December, 1838.

Brief for Free Trade

The following is a continuance of the abstract of the Tariff Argument for Debaters which its author has prepared, with citations and references with which to amplify it. The argument is intended to contain, in the most concise form possible, an orderly exposition of every point that is likely to arise in a debate on the tariff. This brief is intended to enable a debater to get further light upon any subheads on which the discussion in his particular dispute may happen particularly to concern itself.

For explanation of the system see p. 15.

THE BRIEF.

(Continued.)

- #60. Hurts more industries and individuals than it can possibly help.
Argument, #30.
Brassey, pp. 34, 35, 44.
Brickett, pp. 11-15, 28-30, 34-36 & 86-89.
Broadside, Vol. IV, No. 3, pp. 10-11.
Fruits of Protection, Sec. 17-18.
Hog Book, pp. 32-33 & 56.
Protection or Free Trade, pp. 214-216 & 222-230.
- #61. National trade is a fiction.
Baskett, pp. 5, 7 & 15.
Brassey Ch. VII and VIII.
Part IV. Argument for free trade.
- #62. Positive advantage of free trade.
(A summary of points previously touched on throughout)
- #63. Internal free trade.
Argument, #21.
Broadside, Vol. III, No. 1, p. 10, col. 2.
Ehrich's Cobden Address, p. 3.
Franklin & Freedom, p. 4.
Hog Book, pp. 27 & 29.
Protection or Free Trade, Chap. V, p. 42.
- #64. Free Trade is good, even if other nations do not join.
Brassey, pp. 29, 30, Ch. V.
Hog Book, pp. 48-51.
Protection or Free Trade, Chap. XXX, p. 353.
- #65. The tariff commission.
Broadside, Vol. III, No. 2, p. 10.
Redfield.
- #66. History of previous tariffs.
Brassey.
Broadside, Vol. III, No. 2, p. 10.
Fruits of Protection, Secs. 1-5.
The Tariff in Our Times.
- #67. Free raw materials.

- #68. Equalizing the cost of production.
Argument, #19.
Redfield.
- #69. Ad valorem vs. specific duties.
Broadside, Vol. IV, No. 2, p. 16.
- #70. World wide high cost of living.
Broadside, Vol. IV, No. 3, p. 12.
- #71. Infant industries.
Argument, #21-25.
Broadside, Vol. IV, No. 1, p. 3.

ADDITIONAL CITATIONS.

- #2. Definition of Tariff.
Broadside, Vol. IV, No. 1, p. 16.
- #3. Inconsistency of the two phases of the tariff.
Broadside, Vol. III, No. 2, p. 13, col. 2.
- #4. A wasteful system of taxation.
4, col. 1.
Broadside, Vol. III, No. 1, p. 4, col. 1.
Brunker, p. 29.
- #7. A tax on necessities, which is bad public policy.
Brassey, pp. 85, 89, 91.
- #16. The tariff does not maintain high wages.
Brassey, p. 32.
Broadside, Vol. IV, No. 1, p. 9; No. 3, p. 8.
Brunker, p. 72.
Protection or Free Trade, p. 145.
- #17. Wages should be measured by their purchasing power.
Broadside, Vol. IV, No. 3, p. 8.
Brunker, p. 72.
- #19. High wages are not a burden to the employer.
Brassey, p. 34.
- #22. Merely enables them to give bargains to foreigners at our expense.
Broadside, Vol. IV, No. 3, p. 8.
- #24. Not a good object in the case of unnatural industries.
Broadside, Vol. IV, No. 3, p. 8.
Brunker, p. 29.
- #27. What of the men thrown out of work?
Brassey, pp. 32, 33.
Broadside, Vol. IV, No. 1, p. 9, col. 1; No. 3, p. 8.
- #28. The tariff causes additional work without additional compensation.
Broadside, Vol. IV, No. 3, p. 8.

- #33. The "independence" caused by the tariff, is not desirable.
Brassey, p. 28.
Broadside, Vol. IV, No. 3, p. 8.
- #34. "Home market" is merely miserliness.
Broadside, Vol. IV, No. 3, p. 8.
- #36. The dual significance of a "favorable" balance of trade.
Brunker, p. 97.

References: "Argument," A Tariff Argument for Debaters, accompanying this Brief; the references are to that part of the Argument which corresponds to the designated # of the Brief. "Basket," The Real Meaning of Protection, by B. C. Baskett, Sec'y of the International Free Trade League, obtainable of the American Free Trade League for 10c.; "Brassey," Sixty Years of Progress, by Earl Brassey, published by the English Free Trade Union, obtainable of the American Free Trade League for 30c. "Brickett," Tariff Teachers Cross Examined, by George Brickett, obtainable of the American Free Trade League for 10c.; "Broadside," The Free Trade Broadside, quarterly publication of the American Free Trade League, 25c. a year; "Brunker," Notes on the Fiscal Controversy, by E. G. Brunker, published by the English Free Trade Union, obtainable of the American Free Trade League for 15c.; "Ehrich's Cobden Address," obtainable of the American Free Trade League for 2c.; "Franklin and Freedom," a pamphlet by Joseph Fels, obtainable of Daniel Kiefer, 530 Walnut St., Cincinnati, O.; "Fruits of Protection," by J. A. Hobson, obtainable of the American Free Trade League for 2c.; "Furber," Protection or Free Trade, by H. W. Furber, being a collection of articles on the tariff by the most eminent political economists and statesmen, now out of print but obtainable at most public libraries; "Hog Book," The Whole-Hog Book, by J. W. Bengough, obtainable of the American Free Trade League for 15c.; "The Passing of the Tariff," by Raymond L. Bridgman, Sherman, French & Co.; "Protection or Free Trade," by Henry George, obtainable of Daniel Kiefer, 530 Walnut St., Cincinnati, O., for 30c.; "Redfield," Was the President Right, a speech by Congressman William C. Redfield; "Taylor," Elements of Taxation, by Newton M. Taylor, Equity Series, 1520 Chestnut St., Philadelphia, price 25c.; "Watson's Tariff Primer," by T. E. Watson, obtainable of The Jeffersonian, Thomson, Ga., for 25c.

Which Ticket?

By SAMUEL BOWLES, JR.

By Samuel Bowles, Jr.

Wilson, Taft or Roosevelt? Democrat, Republican, or Progressive (i. e. bandanna)? For which should the man who believes in the freedom of trade vote?

Wilson has come out flat-footed in opposition to the present protective tariff. He has declared he will sign all tariff bills designed to remove all tariffs except for revenue only "if the bills are adjusted to the real conditions of the country."

Taft has vetoed every bill tending toward such an end.

Roosevelt has been the "artful dodger" of the tariff issue. But, when cornered, he has always been in the protection corner.

As regards platforms: The Democrats, after declaring for a "tariff for revenue only," assert that the high cost of living results, in large measure, from the high tariff laws.

The Republican party makes a much weaker tariff reform statement than it did four years ago,—while that of the Democrats is, if anything, stronger than their platform of 1908. The G. O. P. seems ready to "stand-pat" on the Payne-Aldrich "revision downward." It holds the tariff and the high cost of living fit bases for "scientific inquiry."

While the platform of the "Progressive" party has not been written, Mr. Roosevelt, who will practically dictate it, has taken note of the high cost of living in a forcible declaration that the tariff should be adjusted to give a greater share of its blessings to the workingman. He believes scientific inquiry by a Tariff Board can accomplish this.

No thinking man should vote without reading carefully the following tariff planks of the two great parties. As the situation stands today, Roosevelt is a protectionist; Taft, a puppet; Wilson, a potentiality for tariff justice.

The Republican platform reads:

"We reaffirm our belief in a protective tariff. The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage-earners the American standard of living.

"The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of

our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor.

"We hold that the import duties should be enough while yielding a sufficient revenue to protect adequately American industries and wages. Some of the existing import duties are too high and should be reduced. Readjustment should be made from time to time to conform to changing conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the Tariff Board has demonstrated.

"The pronounced feature of modern industrial life is its enormous diversification. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican party has shown by its creation of a Tariff Board its recognition of this situation and its determination to be equal to it.

"We condemn the Democratic party for its failure to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation.

"We condemn the Democratic tariff bills passed by the House of Representatives of the 62d Congress as sectional, as injurious to the public credit, and as destructive of business enterprise.

"The steadily increasing cost of living has become a matter not only of National but of world-wide concern. The fact that it is not due to the protective tariff system is evidenced by the existence of similar conditions in countries which have a tariff policy different from our own as well as by the fact that the cost of living has increased while rates of duty have remained stationary or been reduced.

"The Republican party will support a prompt scientific inquiry into the causes which are operative, both in the United States and elsewhere, to increase the cost of living. When the exact facts are known, it will take the necessary steps to remove any abuses that may be found to exist in order that the cost of the food, clothing and shelter of the people may in no way be unduly or artificially increased."

The Democratic platform:

"We declare it to be a fundamental principle of the Democratic party that

the Federal Government, under the Constitution, has no right or power to impose or collect tariff duties, except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered.

"The high Republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessities of life to them but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries.

"We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff. We favor the immediate downward revision of the existing high, and in many cases, prohibitive tariff duties, insisting that material reductions be speedily made upon the necessities of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.

"We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

"We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metals and chemical schedules and the Farmers' Free List bill, all of which were designed to give immediate relief to the masses from the exactions of the trusts.

"The Republican party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest, and having been faithless to its pledges of 1908 it should not longer enjoy the confidence of the Nation. We appeal to the American people to support us in our demand for a tariff for revenue only.

"The high cost of living is a serious problem in every American home. The Republican party in its platform attempts to escape from responsibility for present conditions by denying that they are due to a protective tariff. We take issue with them on this subject, and charge that excessive prices result in a large measure from the high tariff laws enacted and maintained by the Republican party and from trusts and commercial conspiracies fostered and encouraged by such laws, and we assert that no substantial relief can be secured for the people until import duties on the necessities of life are materially reduced and these criminal conspiracies broken up."

The Key Number System

THE KEY NUMBER SYSTEM.

Enquiries are numerous as to the significance of the mysterious signs and figures which head the various paragraphs of articles in the Broadside.

The answer is that they are a part of the Broadside Key Number System. This system has been explained in the following issues of this paper: Vol. III, No. 2, p. 11, col. 1; p. 16, col. 1; Vol. IV, No. 1, p. 10, col. 1; No. 2, p. 10, col. 1. The following is a summary of these explanations:

The Key Number System of Annotations was originated by the West Publishing Co. of St. Paul, Minn., and adopted by them to legal text books and digests. Before the invention of this system, each and every law book was indexed and arranged on a system of its own, and incompletely annotated to the works which preceded it. Some ingenious mind conceived the idea of a uniform system of topic numbers, covering the whole of the law. The result was the famous West Key Number.

Since then the decisions of every court in the land have been published with uniform indexing. The points decided have been digested with uniform arrangement. As soon as a lawyer finds a case in point, he makes a note of the Key Number which accompanies the abstract of that point at the head of the case. Then, wherever he turns, he will find every other case in point, past, present AND FUTURE, indexed under that same number.

The Broadside, with the permission of The West Co., has adopted that system with relation to the Tariff. It is based on the topical arrangement of Senator Hoar's "Tariff Manual," first published serially in the Broadside. An example of its use is as follows.

Suppose an economist, a debater, a politician, or a consumer, wishes in a hurry, to secure all the information that he can on the subject of "Balance of Trade." First he looks under this head in the alphabetical index in the back of the Tariff Manual. He is there referred to Key Numbers 34 and 39. Under these numbers in the argument part of the manual, he finds an outline of various phases of balance of trade.

Let us suppose that he is particularly interested in the "flood of foreign goods" as discussed under Key Number 38. For further light on this, he turns to that number in the Brief, and there finds reference to leading economic works on the subject. For more recent information he looks under that number in the Brief Continuations published quarterly in the Broadside.

The Key Numbers of the Manual unlock the whole field of tariff writings.

TARIFF CALENDAR FOR THE PAST QUARTER.

April 1. The House, by vote of 189 to 92, passed the Democratic bill reducing the tariff duties on wool and woolsens.

April 5. In the Senate, the House bill, revising the iron and steel schedule was adversely reported from the Committee on Finance.

April 15. Mr. Isidor Straus, of New York, a member of the League, was lost in the wreck of the Titanic.

April 18. The Senate Finance Committee ordered an adverse report on the House chemical tariff revision bill. The Republicans voted against it and the Democrats for it 8-6.

May 4. A banquet reception to Hon. Henry George, Jr., Congressman from New York, was given by the League at the Twentieth Century Club, Boston, at which Hon. Harvey N. Shepard, the newly-elected president, presided, and Hon. Roger Sherman Hoar, the League secretary, also spoke.

May 11. In New York the Reform Club gave a dinner at the Hotel Astor, at which Governor Wilson, Senator Gore of Oklahoma, Cong. Henry George, Jr., and Hon. Charles S. Hamlin of Boston were the principal guests and speakers. Hon. Calvin Tomkins presided. The subject of discussion was the tariff question in the pending presidential campaign.

June 16. William Watson Goodwin, professor emeritus of Greek language at Harvard University, a member of the League, died at his late home in Cambridge, at the age of 81 years.

June 22. Senator La Follette's protectionist platform voted down by the Republican National Convention at Chicago.

June 22. President Taft and Vice-President Sherman renominated by the Republican Convention. A protectionist platform adopted.

July 2. Wilson and Marshall nominated by the Democratic National Convention at Baltimore. A revenue tariff platform, verging on free trade, adopted.

ANNUAL MEETING OF THE LEAGUE.

The annual meeting and dinner of the American Free Trade League were held at the rooms of the Twentieth Century Club, Boston, on the evening of May 4th. Hon. Harvey N. Shepard presided. The reports of the secretary and treasurer were presented and approved. The fol-

lowing officers were elected for the ensuing year:—

Harvey N. Shepard, President.

Roger Sherman Hoar, Secretary.

John Ritchie, Treasurer.

Executive Committee.

Albert S. Parsons, Chairman.

James R. Carret.

Howard A. Carson.

Sidney Clementson.

Judd E. Dewey.

Thomas B. Fitzpatrick.

Martha A. Hadley.

George S. Harrington.

Samuel Y. Nash.

Erving Winslow.

Hon. Lucius F. C. Garvin, of Rhode Island, and Samuel P. Cochran and Penrose N. Ions, of Texas, were elected vice-presidents. The deaths of two of the vice-presidents, John R. Morley, of Michigan, and Francis B. Hill, of Colorado, were reported. All the other officers of the past year were unanimously re-elected.

It was voted that a resolution of sympathy and regret be sent by the Secretary to the family of Mr. Isidor Straus, a member of the League, who lost his life in the Titanic disaster.

At the dinner, the president, Mr. Shepard, presided, and addresses were given by Hon. Henry George, Jr., and the secretary, Roger Sherman Hoar.

LABOR IN THE COTTON TRADE.

The cotton industry pays such low wages that wives and children must eke out the family subsistence. Its regular accompaniments are child labor, employment of married women, long hours alternating with curtailment, poverty, illiteracy, and tuberculosis. It is regularly subsidised by the children who give it their youth, and by the mothers who sacrifice to it their babies. Communities dominated by the cotton industry need, though they do not always maintain, relief societies, day nurseries, milk depots, clinics, camps and classes for tuberculosis, open-air schools, school luncheons, night schools for illiterate adults, widows' pensions and child labor scholarships. These are some of the palliatives which the textile industry now regularly requires, for instance, in the Kensington region of Philadelphia. . . . It is the cotton lobby (a reference to the influence brought to bear on the legislature) which prolongs the life of the law under which fifty cotton mills, employing young children, worked at night in the winter of 1911, in North Carolina.—Mrs. Florence Kelley, Secretary of the National Consumers' League.

The Trust of Trusts is the Tariff Trust; the only American Trust should be Trust in the People.—E. N. Foss.

Tariff Publications

Obtainable From the American Free Trade League.

6 BEACON ST., BOSTON, MASS.

Each Pamphlet mailed on receipt of 2-cent postage.

Free Trade Struggle in England (book,
10 cents).

Address of Henry George on Free Trade. 1893.

The Panics of 1837 and 1857.

The Success of Free Trade.

Trusts and Remedies.

The Window-Glass Trust.

The Borax Trust.

The Iron-Ore Trust.

Steel and Wire.

The Salt Trust.

Trusts in Great Britain.

Ship-Subsidy Trust.

Some Chemical Trusts.

The Lead Trust.

Causes of Trusts.

Pressing the Trust Question.

Republican Opinion on Tariff Trusts.

The Plate-Glass Trust.

Warning Voices on Tariff Trusts.

Reciprocity with Canada.

Protective Tariffs and Public Virtue.

The Paper Trust.

The Evils of Special Privileges.

Free Hides.

The Need of Reciprocity.

Free Raw Materials.

Fictitious Balance of Trade.

Wages and Protection.

Prices and Wages.

Subsidies the Climax of Protective Superstition.

Trust-Breeding Protection, etc.

Fidelity to Property.

To the American Farmer.

Reciprocity vs. Protection Reciprocity.

Free Trade and American Manufacturers.

The Miller's Evil Genius.

Reciprocity.

Free Shoes and Free Hides.

The Steel Trust.

Protection and the Democratic Party.

The Fruits of American Protection.

Free Trade vs. Revenue Tariff.

M. M. Trumbull.

1896. Hon. John E. Russell.

1897. Sir Robert Giffen.

1899. Franklin Pierce.

1899. Byron W. Holt.

1899. Byron W. Holt.

1899. Bolton Hall.

1900. John DeWitt Warner.

1900. Byron W. Holt.

1900. Thomas Scanlon.

1900. John DeWitt Warner.

1900. Byron W. Holt.

1900. George A. Macbeth.

1900. Thomas G. Shearman.

1900. David A. Wells.

1900.

1901. Henry W. Lamb.

1901. The Oregonian et al.

1901. Hon. John Charlton et al.

1901. Franklin Pierce.

1901. John Norris.

1901. Dr. James H. Dillard.

1901. William B. Rice.

1902. A. B. Farquhar.

1902. J. B. Sargent.

1902. Hazard Stevens.

1902. Edward Atkinson.

1902. Byron W. Holt.

1902. Louis F. Post.

1902. Hon. Wm. H. Fleming, M.C.

1902. Prof. John Bascom.

1902. Franklin Pierce.

1902. Hazard Stevens.

1902. Henry Ware Allen.

1902. William C. Edgar.

1903. Edward Atkinson.

1903. Charles H. Jones.

1904. Byron W. Holt.

1904. Louis R. Ehrich.

1906. John A. Hobson.

1911. Louis R. Ehrich.

Congressional Speeches:

The American Wage Standard.

The Wool Schedule.

The Cotton Schedule.

1911. Hon. William C. Redfield.

1911. Hon. Henry George, Jr.

1911. Hon. William C. Redfield.

Free Trade Broadside, Bound Volume, 17 numbers, \$2.

"The Real Meaning of Protection," by B. G. M. Baskett, Secretary to The International Free Trade League. Price, 10 cents.

"A Substitute for the Tariff Upon Imports." By John Bigelow. A pamphlet privately printed. A limited number for sale. Price, 25 cents.

"The Tariff and the Farmer." By S. Payson Perry. Price, 25 cents.

"The Whole Hog Book." By J. W. Bengough. A Rendering into words of One Syllable of Henry George's "Protection or Free Trade?" Illustrated by the Author. Price, 15 cents.

"Tariff Teachers Cross-Examined." By George Brickett. Price, 10 cents.

The Tariff in our Times. By Ida M. Tarbell. Published by The MacMillan Co., New York. Price, \$1.50 net.

"My Story," by Tom L. Johnson, illustrated. Price, \$2.00; by mail 20 cents extra.

"Passing of the Tariff," by Raymond L. Bridgman. Price, \$1.20. Published by Sherman, French & Co., Boston.

TWO ENGLISH BOOKS.

Earl Brassey, C. C. B., D. C. L., etc., has honored the American Free Trade League with a complimentary copy of his book, "Sixty Years of Progress and Fiscal Policy." This book is published by the Free Trade Union, 25 Victoria street, London, S. W., and sells for a shilling. Copies may be obtained through the American Free Trade League.

This book bears much the same relation to English tariff literature as "The Tariff in our Times," by Ida Tarbell, reviewed in the last number of the Broadside, does to American. But the treatment is slightly different. Miss Tarbell's book was chronologically historical, with one chapter of summary and argument.

Earl Brassey begins with a chapter on the present agitation in England. Then follow a chapter of statistics and six containing quotations from the past, to disprove the leading Protectionist sophistries of today. Great Britain ought to be able to learn by experience, especially when the lessons of the past are so effectively focused by Earl Brassey on the problems of the present.

Another English book now much in circulation is "Notes on the Fiscal Controversy" by E. G. Brunner. This is also published by the Free Trade Union of London, and may be obtained through the American Free Trade League. The price is sixpence.

This is intended as a handbook for use in the present agitation in England. The Free Trade calls it "The New Fighting Book." It is for popular and political reading, rather than for academic disputation. It is essential to anyone in this country who attempts to understand the present political situation in England.

Both books have been annotated for the Broadside, to correspond with the American Free Trade League Key Number System.

The Hawthorne Association of Berryville, Va., have issued a revision of their pamphlet, "The Tariff and the Farmer" by Archibald Cummins, which brings that interesting pamphlet down to date and makes it the last word on the subject.

Free Trade Broadside

Vol. 4

OCTOBER, 1912.

No. 4

WILSON CAMPAIGN NUMBER

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Tariff Manual

ONLY 10 CENTS

(See Page 16)

WHY?



WILSON'S FREE TRADE COURAGE

When Woodrow Wilson was a student at Princeton, the most coveted undergraduate achievement was the winning of the Lynde Prize for extemporaneous debating. Preliminary contests were held among the members of each debating club, and then the selected teams competed. Wilson was recognized as the best debater in college, and was expected to win the prize. On the evening of the preliminary contest, the contestants were told the subject; this time it was to be "Protection vs. Free Trade." Then the debaters took sides by lot. Wilson put his hand into the hat and drew out a slip that required him to argue in favor of "Protection." He tore up the slip and returned to his seat. Nothing under heaven, he swore, would induce him to advance arguments for a thing in which he did not believe. He did not believe in "protection." So the Lynde Prize went to somebody else.

Published and Edited by the
American Free Trade League

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Object.—The Overthrow of the Protective System.

Committee in Charge:

HARVEY N. SHEPARD

ERVING WINSLOW

JUDD E. DEWEY

ROGER SHERMAN HOAR, Ex-Off.

Subscription 25c. Per Year.

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Issued Quarterly.

Entered as Second-class Matter, January 11, 1912, at the Postoffice at Boston, Massachusetts, under the Act of March 3, 1879.



Hereafter the Broadside is to print advertisements. Every loyal Free Trader who is engaged in business should write in at once to find out the rates, and then upon being informed as to the rates, should advertise as liberally as his means will allow. The ambition of all members of the League should be to make the Broadside pay for itself, so that the money received in contributions to the League may be used in maintaining the headquarters and in other forms of propaganda.

The present is a most propitious time for Free Trade campaigning. A Free Trader is about to be made President of the United States. Under his leadership, the tariff will be reduced, gradually but steadily. There are no complicating causes of bad times which can be charged to Free Trade by the Protectionists. For this great work the Broadside needs money. Be generous!

Permit the Secretary to say a personal word. In several letters of criticism that he has received, mention has been made of the princely salary that he is supposed to receive, and for the purpose of receiving which, he is supposed to maintain the Free Trade League. Now there are secretaries who invent and maintain leagues, because that is an easy way to make a living! But the Secretary of the American Free Trade League supports himself, and gives his time (and some money) absolutely free to the Cause.

Because Louis Pevelitch of Brooklyn, a fortune-teller, predicted to Magistrate Murphy that Taft would be re-elected he was sent to Bellevue for a sanity test.

Tariff Calendar

July 22. The committee of conference agreed upon a compromise between the wool tariff bills of the House and the Senate. This is upon the basis of 29 per cent. duty on raw wool—a compromise between the 20 per cent. of the House bill and the 35 per cent. of the Senate bill. On yarns the House rate of 30 per cent. and the Senate rate of 45 per cent. are compromised at 35 per cent.

July 23. By 160 to 62, the House passed the conference committee's report on the wool tariff.

July 25. Senator LaFollette's wool tariff bill was substituted in the Senate for the conference bill, and was passed by a vote of 47 to 20. This bill is not such a reduction as the conference bill.

July 26. The Senate by a vote of 36 to 18 passed the Democratic excise tax bill, extending the present tax on corporations to the business of individuals, private firms and copartnerships. Attached to the measure were amendments for the repeal of the Canadian reciprocity law and the fixing of a \$2 per ton tariff on print paper; and for the establishment of a permanent non-partisan commission.

Senator Cummings's permanent tariff board amendment was attached to the excise bill by 38 to 29. All the Democrats except Pomerene of Ohio voted against the tariff board, while all the Republicans except Heyburn of Idaho supported it.

July 27. The Senate, by a vote of 52 to 3, passed the Lodge-Bristow sugar tariff bill, reducing the duty on sugar from \$1.90 to \$1.60 per hundred weight. This is a compromise bill, and does not go so far as the bill desired by the progressive Senators.

July 29. The House refused to consider the Senate's wool, sugar and excise bills.

August 2. President Taft was notified of his renomination, and accepted in a speech lauding the principle of "protection."

August 3. The steel bill was passed by the Senate, which receded from its amendment repealing the Canadian reciprocity law. The average duty is put at about 22 per cent., as compared with about 34 per cent., under the Payne-Aldrich bill.

August 3. The House passed the LaFollette wool tariff bill.

August 7. Theodore Roosevelt was nominated for President at Chicago on a reactionary protectionist platform.

August 7. Governor Wilson was notified of his nomination for President, and accepted with a speech, the key note of which was tariff reduction.

August 9. President Taft vetoed the wool tariff bill.

August 13. The House passed the wool bill over the President's veto by a vote of 174 to 80. 21 Republicans voted with the Democratic majority.

August 13. The Senate passed the House cotton-tariff bill by 36 to 19, but with an amendment repealing all of the Canadian reciprocity act except its free print-paper provisions. La Follette's substitute, drawn by the Tariff Board, was defeated by 46 to 14.

August 14. President Taft vetoed the steel tariff bill, on the ground that it was not a protectionist measure. On the same day the House passed it over his veto by a vote of 173 to 83, 16 Republicans voting with the Democratic majority.

August 24. Congress adjourned without further action on the various tariff bills and vetoes awaiting its action.

September 24. Eugene N. Foss, pioneer tariff reductionist of Massachusetts, renominated by the Democrats for Governor.

Sept. 27. The much-heralded Republican Tariff Train started from New York loaded with noted speakers to trail Woodrow Wilson through textile New England.

Sept. 28. The Tariff Train fizzles out. On the day succeeding Wilson's crowded address in Boston, the Republicans speak to empty seats. "Since then, we have not heard about the Jabberwock so much!"

As to the relation of the Wilson Bill to the financial troubles of the '90s it hardly stands to reason that an effect could precede its cause by a year and a half. To accuse the Wilson Bill of that trouble is like the charge of the wolf against the lamb in the fable. He charged that the lamb had spoken disrespectfully of him more than a year before. The only defense of the poor lamb was that he hadn't been born then. And that is the only defence of the Wilson Bill against my critic.

A. B. HERVEY.

It is rather a notable thing that during the recent Commerce Congress held in Boston, where all sorts of schemes for international commercial amity were discussed, there was not one good strong word said about the tariff, which after all is said and done, is nothing but a fortification bristling with ordnance behind which the nations of the earth are mobilised for attack upon one another.

Coxey's Army

The following from an editorial in the San Francisco Chronicle, is a fair example of the sort of bosh that the Protectionists are giving us, in a frantic attempt to avert Democratic victory and Free Trade:

"An infatuated people, disregarding previous experiences or forgetful of their occurrence, voted for Cleveland and free trade, and bang! went the balloon of prosperity. The echoes of the Grover-clover songs had scarcely died away before Coxey's Army was marching on the capital. The fires under the boilers of the factories were drawn and their doors were shut, and those of the public soup houses were opened. The howl for cheapness was answered. Prices were absurdly low, but half of the nation being out of a job there was no money with which to buy things, and production fell off nearly 40 per cent."

This is a deliberate attempt to deceive by misstating history. It is well to bear the true facts in mind:

Cleveland was elected in 1892. The Harrison administration had already run the government into debt. The Silver Purchase Act of 1890 had provided that large quantities of silver should be purchased by issuing treasury-notes redeemable in gold. At the close of the Harrison administration there were already nearly five hundred million dollars worth of these notes in circulation, and more were being issued at a rate of four million five hundred thousand a month. The people began to distrust the ability of the government to redeem these notes. Silver was rapidly decreasing in value, and there was fear that the government would attempt to redeem by giving this depreciated silver.

Harrison himself prepared a bond-issue to meet this crisis; but when Democratic victory came, he held off, wishing to make as much trouble as possible for Cleveland.

The panic came only two months after Cleveland's inauguration. How could it have been caused by a tariff act passed a year later? Coxey's army marched on Washington before this tariff act was passed. How could the passage of a tariff act in 1894 have caused unemployment in 1893? Naturally, the Protectionists do not dare to give dates with their deceptive arguments.

A Republican Supreme Court held the income-tax part of this tariff act to be unconstitutional. A great loss of revenue resulted. Yet, in spite of this, the Democratic administration got the finances of the country so well in hand that prosperity had already begun when McKinley was inaugurated. If the Supreme Court had not retarded them,

the Democrats would have restored prosperity in time to have insured themselves continuance in power.

Don't forget to nail this pet Protectionist lie whenever it crops out. Tell the people the truth about the panics. The panic of 1893 was a Protectionist panic. So was the panic of 1907.

CORRESPONDING SOCIETIES.

The American Free Trade League is in touch with the following Free Trade organizations, throughout the world. Will any reader of the Broadside, who knows of any other society of this sort, please communicate at once.

International.

International Free Trade League, London, England. Secretary, B. G. M. Baskett.

Australia.

Australian Free Trade Association, Melbourne, Australia. Secretary, W. H. Renwick.

Canada.

The Free Trade League, Calgary, Alberta, Canada. Hon. President, Dr. M. Clark, M. P. President, Geo. H. Ross. Secretary-Treasurer, E. J. Fream.

England.

Cobden Club, London, England, Chairman of Committee, Lord Welby. Secretary, B. G. M. Baskett. Publication, pamphlets.

Free Trade Union, London, England. President, The Rt. Hon. Arnold Morley. Secretary, W. W. Champness. Publication, "The Free Trader." (Monthly).

Manchester Free Trade League, 49 Deansgate, Manchester, England.

France.

French Free Trade League, Paris, France. President, M. Yves Guyot. Secretary, M. Daniel Bellet. Publication, "Le Libre-Exchange."

Society of Political Economy, Bordeaux, France. Secretary, M. A. Nicolai. Publication, "Revue Economique." (every two months).

Germany.

The Berlin Verein fur Fergerung der Handelsfreiheit, Kielganstrasse 2, Berlin. President Dr. Weigert.

Free Trade League of the Empire, under organization by N. H. Witt, Bismarkstrasse 36, Wannsee, Germany.

Holland.

Dutch Free Trade League, The Hague, Holland. Secretary, Dr. A. Heringa.

Italy.

Associazione per la Liberta Economica, Turin, Italy. Secretary, Luigi Einaudi.

Single Tax Organizations:—

Danish Henry George Movement,

Copenhagen, Denmark. Publication, "Ret." (Right). Monthly.

The United Committee for the Taxation of Land Values, London. Secretary, John Paul. Leaflets and pamphlets.

Joseph Fels Fund of America, Cincinnati, O. Daniel Kiefer, Chairman.

Magazines.

(This a partial list of Free Trade papers, other than those published by Free Trade organizations.)

The Public., Ellsworth Bldg., 537 South Dearborn St., Chicago, Ill.

The Grain Growers Guide, Winnipeg, Canada.

The Rochester Herald, Rochester, N. Y.

The Jeffersonian, Thompson, Ga.

The Chancellor, Omaha, Neb.

The Democrat, Johnstown, Pa.

CHAMBER OF HORRORS.

The Democratic National Committee is exhibiting in the larger cities of the country a tariff chamber of horrors, in order to put the evils of Protection concretely before the voters. The main features of this exhibit are:

1. A collection of household utensils, mechanic's tools, articles of wearing apparel, etc., with labels stating how much more cheaply each of these articles is sold abroad than in this country.

2. A three-room apartment, furnished with cooking things, furniture, clothing, etc., giving the price of each article and the percentage of duty on each article, so as to show the burden of the tariff on the consumer.

3. Wax figures of a manufacturer and a wage-earner, showing that under the present protective system, the Trust magnate gets the benefit of the tariff and the wage-earner pays it.

4. Cartoons, placards, diagrams, etc.

There is no reason why every group of Free Traders cannot institute something like this on a small scale in their own town. Letters of inquiry should be sent to the Department of Exhibits at the Democratic National Headquarters, 5th Avenue Building, New York City.

FREE MEAT TO FREE PRICES.

We do not need the elaborate researches of a tariff commission to show us that the meat tariff must be a very important agency in high prices. Cut it out by the roots, as the surgeon does a cancer. If it doesn't do good, it can't do harm to the vital truth of things. A straight bill with no complication, putting meat products on the free list, is what the country needs. Fifty lines would do the job and prove a veritable "hammer of Thor" in smashing prices, unless it can be proved that two plus two can sometimes make five.—New York Commercial.

The Solis Plank

The "Progressive" Convention in Boston, July 27, dodged the tariff question. That is what is to be expected of the Bull Moose type of fake Progressive. Andrew J. Solis had presented a tariff plank, which, except for declaring weakly for Protection in the first sentence, contained about as good Free Trade doctrine as a true Progressive could wish. It was turned down by the platform committee.

Following is the Solis plank, arranged under the Broadside Key-Number System:

We declare our belief in a tariff on imports which shall provide adequate protection to legitimate American industry and adequate revenue for the support of the Government.

##3 and 10.

We denounce as a pretence the Democratic declaration in favor of a tariff for revenue only, because any tariff imposed on imported goods competing with American products is necessarily protective, while a tariff exclusively on non-competing products would not provide sufficient revenue.

##29, 51 and 56.

We condemn the existing tariff law as one of the principal causes of the high cost of living owing to its excessive and unfair rates and classifications, which burden the consumer, discriminate against certain classes of producers, and encourage the growth of monopoly by reason of the special privileges granted to other classes of producers.

#65.

We declare it to be one of our fundamental principles that Congress shall have the sole power to originate and enact revenue laws, subject to the veto of the president as defined in the Constitution, and that any board, bureau, commission or other body of persons charged with any duties in connection with the revision of our tariff laws shall be appointed by and subject to the exclusive control of Congress.

We denounce the plan to entrust the work necessary for the revision of the tariff to any persons responsible to any executive departments of the government, as calculated to defeat the will of the people and weaken one of the most important safeguards of popular liberty.

#19.

We condemn the theory of assessing tariff rates to equal the difference between the foreign and domestic cost of production plus a reasonable profit, as wrong in principle and impossible in practice.

#69.

We declare it to be our settled conviction that the discrimination and special privilege arising from the tariff on imports are the result of making the rates specific, that is, basing them on the weight, measure or piece of the imported goods. By this specific system of duties a dollar's worth of low-priced goods bought by the poor is subject to a much higher duty than is a dollar's worth of high-priced goods bought by the rich. This important principle underlying tariff taxes is illustrated by the present specific tariff of eleven cents per pound on wool, under which a hundred dollars' worth of high-priced wool is subject to a tariff as low as thirty dollars, while a hundred dollars' worth of low-priced wool is subject to a tariff as high as six hundred dollars. Accordingly we declare in favor of basing all tariff rates on the value of the imported products.

EDITORIAL NOTE.

Without in the least lowering our ideals, as the necessities of the general Government require funds which can be raised by the Constitution on no other way, we must, until it is amended, assent to the taxation of some few imported articles of luxury. Just as we shall have to possess our souls in patience at a slow gradual reduction of the tariff, the immediate demolition of which might cause a commercial convulsion and great distress.

ROOSEVELT'S TARIFF KNOWLEDGE.

A thoroughly characteristic instance of Roosevelt's capacity for talking nonsense without perceiving it, or, if he does perceive it, of his willingness to play the demagogue, is to be found in his definition of his position on the tariff as given in his speech at Hartford on Labor Day; it is as follows:

"I am delighted to have a duty imposed equal to what is necessary in order that the industry may live. But I am not contented if that duty stays in the front office. I want to see it get into the pay envelope, and if a reasonable share of the profit does not get into the pay envelope, then I am in favor of taking the duty off. Now that is a perfectly clear and explicable position."

It is well to bear in mind that this rubbish, to call it by no harsher name, proceeded, not from the occupant of a barrel in a crossroads grocery, but from an ex-President of the United States, in an argument that he should again be honored by elevation to that exalted office. When he says that, to benefit

labor, he would remove a duty "equal to what is necessary in order that the industry may live," thus killing the industry and throwing the workers out of employment, one can't help asking if the man is a fool or if he is knavishly playing on what he conceives to be the stupidity of his hearers. Is it possible that an ex-President of the United States did not perceive, if we may take his words seriously, that if some employers did and others did not allow labor "a reasonable share of the profit," it would be impossible to remove the duty in one case without doing so in the other, thus punishing the innocent with the guilty? No further analysis of the self-contradiction of his language is necessary to reveal the speaker's demagogism or his incapacity to think clearly; we may, however, inquire collaterally:

What proportion of the profits would constitute a "reasonable" share?

How would he remove the duty—by an "order in council," as under the most despotic of the Stuarts, or by a mandamus to Congress?

How would the duties be imposed—in the same manner?

Does he believe that tariff duties are gratuitous benefits to manufacturers and their employees, in which the nation as a whole has no interest?

Is he capable of forming an intelligent opinion on the subject at all?—Evening Post.

To the Editor of the Helena Independent;

Years ago when Henry George was first agitating for unhampered trade and the single tax on land values, among his listeners was a young man whose applause attracted George's attention. He inquired who the young enthusiast was, and was informed that he was Theodore Roosevelt. The latter soon found, however, that known adherence to the doctrines of untaxed commerce and taxed land values was not popular with those who had political views to hand out, and he being a "practical man" like Harriman and Brer Rabbit, Mr. Roosevelt thought it best to lay low on such unpopular subjects as free buying and untaxed industry.

He resigned from the New York Tariff Reform club, and talked of everything under the sun—the size of families, the uplift of farmers, reformed selling, retail of judicial decisions, the simple life, how the English should rule Egypt, etc., etc., in great avalanches of English words—excepting always the tariff which affected every man, woman and child in the country every day of every year. On that subject Mr. Roosevelt's policy was "Mun's the word!"

For seven years, while President, Mr.

Roosevelt's utterances on the tariff were—nil. You could not extract anything from him with a corkscrew, although in his "Thomas H. Benton" he had written (p. 67) "Political economics have pretty generally agreed that protection is vicious in theory and harmful in practice."

But the tariff is the Banquo's ghost of American politics—it will not down. Therefore Mr. Roosevelt is in favor of a tariff commission—"non-partisan" tariff board is a childish conception.

The truth seems to be that Mr. Roosevelt has decided notions concerning the stopping of travelers and breaking open their cases; he is afraid to say what he believes. He would rather offend a grizzly bear than a Pennsylvania or New England manufacturer. You can fry fat out of grizzly only once but a protected manufacturer is perennially available—if kept in good humor. Samuel Milliken.

PROTECTION AND THE PROGRESSIVE PARTY.

One of the weaknesses of the Progressive Party platform, a weakness that goes to its very foundations, is its tariff-Protection principle. Free-traders in the Progressive Party may retort that the Democratic platform is not for Free-trade, and this is true. But the Democratic platform does demand the fullest measure of trade freedom that Constitutional barriers permit, whereas the Progressive platform pledges its supporters to tariff-Protection in perpetuity. It does this, indeed, for the benefit of wage-workers; but hasn't Protection always been demanded for that purpose? and hasn't it always failed? Aye, but the Progressive Party is to make the purpose a reality! Impossible. No party can do that. Tariff-Protection is a system of Privilege, and in the very nature of Privilege there can be no privilege for wage-workers the benefits of which they can keep. Privilege means monopoly, monopoly means concentration, concentration means power for the few, and power for the few means exploitation of the many.—The Public.

INTERNATIONAL FREE TRADE MAGAZINE.

The American Free Trade League is in receipt of a number of copies of the first issue of the new International Free Trade Magazine, published in England and selling for one shilling per copy.

This first number consists of articles by leading economists of each of the large countries of the world, showing the effects of tariff or free trade, as the case may be, on each country.

It serves as a most useful campaign handbook, and has been supplied to the leading Democratic spellbinders.

The Work of the Last House

The following tabular statement presents a summary of the results of the

tariff work in the house of the Sixty-second Congress:

Measure	Equivalent ad valorem rates		Estimated saving to consumers
	Import 1911	Dem. bill (12-mo. period)	
Free list	*\$18.75	Free	\$390,000,000
Wool, } raw	42.20	\$20.00	52,000,000
} mfg. of	87.65	12.55	
Cotton	47.05	27.06	88,000,000
Metals	34.51	22.42	81,000,000
Chemicals	25.72	16.66	17,000,000
Sugar	53.95	Free	115,000,000
Total			\$743,000,000

* Import 1910.

In arriving at the estimate of the saving to consumers from the revision of the tariff bill shown in this statement, it has been the plan to reckon that the duty is 50 per cent. effective in increasing prices, except for sugar, where, according to the testimony, the full amount of the duty is passed into the price paid by the consumers. The total value of the consumption in the United States of all the articles contained in the Tariff Act is estimated to amount during a 12-month period to about \$21,500,000,000 of which \$20,369,000,000 were dutiable. The revenue derived from the portion of this consumption imported in 1911 was \$309,581,944, while the amount of the protection involved because of increased prices on total consumption from tariff duties was \$1,900,000,000. This makes the total tax to consumers because of the tariff amount to about \$2,225,000,000 per year. The estimated protection in the wool, cotton, metals, chemicals, and sugar schedules aggregate about \$1,000,000,000. The revision proposed by the Democratic bills of this Congress of the schedules named would have saved the consumers in prices about \$740,000,000, or an average saving of more than \$8.00 for every person in the United States, and the adjustment of duties in these revision bills would have entailed very little, if any, loss to the Treasury.

There are two hundred and thirty Democrats in the House of Representatives, one hundred and sixty-one Republicans, and one Socialist. The Democratic majority, therefore, is sixty-eight. As shown by the record of the passage votes, every Underwood bill except that revising the Chemical Schedule received not only the solid support of the Democrats in the House, but enlisted many Republicans. While, as stated, the

Democratic majority is only sixty-eight, the free list bill passed with a majority of one hundred and twenty-seven; the wool bill of last session by one hundred and twenty majority, and this session by ninety-eight majority; the cotton bill by one hundred and twelve majority; metal bill by one hundred and one majority; and the excise bill by a majority of two hundred and twelve.

HIGH WAGES?

(# 18c.)

Better than any editorial comment on the subject of "the American standard of living" are these extracts. The first is from the Republican Platform:

"The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries, and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage earners the American standard of living."

The second extract is from a summary of the report of the Federal Labor Bureau on "the American standard of living" in Lawrence, Mass.:

"The agents estimated that the average wage given 21,000 employees during one week last year, selected at random, was \$8.76, which was declared to be entirely insufficient for the support of a family. Child labor was a natural outgrowth, the report says, of such a condition, where the head of the family was forced to add to his income by securing work for his children."

Nothing need be added, except that the industries in Lawrence are among the highest protected in the United States. The proof of the pudding is in the eating, and the proof of the beneficent Republican tariff is in the application.—Puck.

Tariff "Boiler Plate"

The term "boiler-plate" means a block of type set up on a thin sheet of metal, so that it can be sent through the mails to country newspapers, by the news-syndicates, which manufacture it. The protectionists have been furnishing boiler-plate free for years. Now the Democratic organization has decided to take this up. The following was prepared for them by Senator Hoar, secretary of The American Free Trade League:

This article is addressed to the working-men of America. You owe it to yourselves and to your families to view the tariff question impartially and to decide it in favor of your and their best interests.

Protection Increases Prices.

(##56 and 38.)

Even the friends of the tariff do not dare deny that the tariff makes high prices. A comparison of prices here and in Canada shows how much more cheaply we could get things if we tore down the tariff wall between the two countries. You can tell by comparing your own bills, how prices have risen under the Republican high tariff. The very arguments of the Protectionists about the flood of "cheap goods that would follow a reduction of the tariff, shows that they themselves admit that the tariff is keeping prices high.

The very object of the tariff is to raise prices, so that the protected manufacturers can make money with the least possible employment of labor. Only half as much labor is required to make fifty articles and sell them for a dollar each, as to make one hundred of the same articles and sell them for fifty cents each. Thus, under high prices, there is less employment of labor for the same amount of profits.

Protection Decreases Employment.

(#27b.)

Friends of the tariff will tell you that a reduction of the tariff would decrease employment. But the true fact is that the present high tariff lowers the chances of employment below what they would be if it were reduced.

We have just seen above how, under high prices, fewer goods need be sold to gain a given amount of profit, and therefore fewer men need be employed to make the goods. It is also true that, under high prices, fewer people can afford to buy the goods, fewer goods will be sold, and therefore fewer men can be employed to make the goods. The Democratic Party seeks to bring about lower prices, by decreasing the

tariff. More goods will then be sold, and more men will be employed to make these goods.

Another reason for the decrease of employment is that the tariff, by hampering trade, decreases the employment in what would be, without the tariff, our most productive industries; namely, our exports. The Democratic Party seeks to free our trade, increase exports to pay for our increased imports, and thus provide more work for all of you.

Protection Decreases Labor's Share.

(#16c.)

The friends of the tariff very carefully avoid this point. It is a point which ought to appeal to all working-men; for the modern cry of labor is: "Give us a fairer share in the products of our hands!" The tariff, by causing high prices, enables the manufacturers, as we have seen above, to make their profits with a less employment of labor. Thus labor gets a less share in the products of labor.

And statistics show this to be so. Labor's share is the percentage of the product that is paid in wages. Labor's share has been steadily decreasing in the protected industries. Take for instance the textile industries, which are the most highly protected in the United States. In 1899, labor's share was 22.3 per cent. of the product; in 1904, 20.4 per cent.; and in 1909, only 19.9 per cent. To get a fairer share, you ought to oppose the Republican high tariff.

Protection Decreases Wages.

(#16b.)

Friends of the tariff will tell you that a low tariff means low wages. But the contrary is true. In fact, the statistics of the U. S. Census show that the lowest wages are those paid in the most protected industries. Don't forget the Lawrence strike for a living wage in the textile industries!

We have seen above how a reduction of the tariff would open larger opportunities for employment. With a low tariff, the manufacturers would therefore have more difficulty in getting men. The harder it is to get men, the higher will wages be. That is one of the reasons why the protected manufacturers are opposed to tariff reduction; they don't want to have to pay you higher wages.

Not only will tariff reduction increase your wages, but it will also make each dollar of your wages more valuable, by decreasing the cost of what you need to buy. This in itself will increase your wages. Thus Democratic tariff-reduc-

tion would increase both the amount and the value of your wages.

Protection Lowers American Standards.

(#18c.)

Friends of the tariff will tell you that the tariff keeps up our standard of living. The contrary is true, for it is the tariff that forces many of you into low standard work. The highest grade American work, the most profitable work, is that line of work which high-grade American labor can do better and more cheaply than any other labor in the world. Without a tariff, the industries engaged in these lines, would do a rushing foreign business at great profit and would employ much labor at good wages. The most profitable industries are those which export high-grade American goods. Statistics show that these industries pay the best wages. Now, the tariff by restricting imports, decreases the exports which are sent out in exchange. With exports cut down by the tariff, the high-wage industries are forced to employ fewer men, and many of you laborers are thus forced into the low-wage protected industries.

You ought to do high-grade American work for high-grade American pay, and with that pay buy, duty free, the cheap products of foreign pauper labor. But the tariff forces you to become pauper labor yourselves, and to spend your money in a high-priced market. Thus the tariff lowers American standards.

You Bear The Burdens.

(#6 and 57.)

The friends of the tariff will tell you that "the foreigner pays the tax." This is not true. You yourselves pay the tax. Everything that comes into the country costs more because of the tariff and you pay this increase when you buy. Not only that, but you also pay a similar increase on American-made goods.

But, as we have seen, the high cost of living is not the only burden that the tariff forces you to bear. The tariff pauperizes you by driving you into un-American lines of work; it decreases your wages; it decreases the value of what little wages you get; it decreases your share in what you produce. The only thing that the tariff increases for you is prices.

Who Wants The Tariff?

(#59b.)

Who, then, wants the tariff? The friends of the tariff, whom I have been referring to. "Protection" protects them, not you. The tariff increases the price of what they sell; it puts more

money into their pockets; it enables them to employ less labor; it increases unemployment, and thus enables them to get employees more cheaply; it increases their share of the work of your hands. The only thing that the tariff decreases for them is the wages they pay you.

Vote The Democratic Ticket!

The friends of the tariff want this situation to continue. You do not. Tariff reduction would bring things your way. A gradual reduction would harm no one, except the millionaires who have fattened on the tariff.

The Democratic Party proposes a gradual reduction in your interests. Therefore, as a friend of labor, I urge you to vote the Democratic ticket!

A REPLY TO MARVIN.

It is unfortunate that every time a great student like President Eliot or Professor Taussig utters some axiomatic truths about the tariff, some Protectionist feels it incumbent on himself to fly into print, with a number of undigested facts in attempted refutation.

As Secretary of the American Free Trade League, I hasten to reply to the letter of Mr. Thomas O. Marvin which has just appeared in your paper.

Mr. Marvin points to the fact that our country is growing and has a growing foreign trade. In reply I would call his attention to the fact that our protected industries are dumping their goods abroad at a lower price than they charge to their fellow citizens, rather than sell them here to reduce the scarcity and lower prices. Thus we "protect" the foreigner at the expense of our own citizens.

If we were to let in foreign goods of the sort that can be made more cheaply abroad than here, and were to devote our energies to manufacturing our own best products in exchange, we would increase our foreign trade and would not be shipping away goods that we need here.

Mr. Marvin next reverts to the old sophistry about high American wages. Does he not know that the value of wages lies in their purchasing power, and that the high prices in America more than offset any possible high wages? Does he not also know that our protected industries pay the lowest wages of any in America? What does he suppose the Lawrence strike was about?

Mr. Marvin dismisses the accusation that "the tariff is the mother of the trusts" by merely citing the instance of Standard Oil, and stating that it is not protected. Does he not know that this trust grew up under protection and

then had the tariff taken off of crude oil after it had become powerful enough to corner the foreign supply?

Mr. Marvin cites statistics of exports of the products of skilled and unskilled labor. However these may compare, it stands to reason that the protective tariff is pauperizing American labor by forcing it into unskilled and unprofitable lines of work, which could just as well be done by "pauper foreign labor." How much better it would be to open the gates of commerce, put American labor to work at naturally American jobs, make the "pauper labor of Europe" work for us abroad, and send us a "flood of cheap foreign goods" for our people to buy. The greatest prosperity will come when each nation is engaged in the lines of trade for which it is best fitted.

Mr. Marvin says in closing that "the protective tariff policy should be maintained and the Republican candidates should be re-elected." In this he is due to be disappointed, for, as Lincoln said, "You can't fool all the people all the time."

Mr. Marvin ought to read the article by Charles Johnson Post in the September Everybody's. In it he will find all the stock protectionist arguments used in favor of a tariff on bananas so that they may be grown in hot-houses on the bleak slopes of New England and sold for thirty cents apiece. This is a fanciful story of the All-American Banana. It is also a reductio ad absurdum of the true story of the All-American anything else that lives the artificial life of tariff stimulation.

Roger Sherman Hoar.

SPECIAL PRIVILEGE IN CONSULAR REPORTS.

In an editorial in the last number of the Broadside, attention was called to the unwarranted assumption by the present Republican Department of Commerce and Labor, that Free Traders and Farmers are not entitled to copies of the United States Consular Reports.

Henry Baldwin of South Canterbury, Connecticut, a loyal member of the American Free Trade League and a farmer, has tried to secure copies of these reports as a basis of tariff researches for the benefit of the farmers. The following is his account of the attempt:

"I learned from the Bureau of Commerce and Labor that our Commercial Relations would probably be discontinued. Then I wrote and inquired whether I would be allowed a copy of the daily Consular Report, to be sent me regularly. They sent me a number of questions: My answer in substance was:

"That I was a farmer.

"That I was a member of the Free Trade League.

"That I was a student of foreign trade.

"After three or four days they sent me the following letter:

May 9, 1912.

Mr. Henry Baldwin,
South Canterbury, Conn.

Sir:

With reference to your application for the Daily Consular and Trade Reports, the Bureau regrets to state that the limit, placed by law on the circulation of the reports, has now been reached. As they are intended primarily for American manufacturers and exporters, applications for them from those not engaged in manufactures or export must be refused until provision is made by Congress for the printing of a greater number of copies. If you will make a second application after the 1st of July next, the Bureau may be able to list you for the Daily.

Respectfully,

A. H. Baldwin,

Chief of Bureau.

"That answer reads like a bluff.

"I think the League as well as myself has an interest in that answer. I think it not impossible that there is an intention in first discontinuing 'Our Commercial Relations'; then in refusing my request, to close in on the public and make such information difficult in future except to the protected interests."

It would seem that if any people are to receive the consular reports, such a prominent economist as Mr. Baldwin ought to be included in the number.

BOOK REVIEW.

A Campaign Text-Book.

("The Democratic Text-Book—1912." Published by the Democratic National Committee, 5th Avenue Building, New York City. 432 pages. Price 25c.)

Hearst and some others, who flit from party to party, are trying to convince the people that the Democratic Party is a Protectionist party. A lot of Democrats would like to have it so. But the Democratic Text-Book is a complete refutation on this contention. The Text-Book shows conclusively that the Democratic Party is making its chief fight in this campaign on the issue of "Free Trade vs. Protection."

This little book is crammed with useful arguments and still more useful statistics. Figures are given that cannot be answered. Various phases of the tariff history of this country are detailed at length. The very arguments of the Protectionists themselves are quoted to show the absurdity of the theory of Protection. Every student of economic conditions should possess himself of a copy of this valuable work, not only for the uses of this campaign, but for permanent reference.

An All-American Banana

(# #24, 53, 54 and 56.)

The absurdity of fostering an unnatural industry by means of a protective tariff, is rendered apparent by citing extreme cases. If the United States are unfitted for any particular industry, or if the "pauper labor" of another country can supply us more cheaply with any particular line of goods, it is absurd to pauperize our own skilled labor by forcing the production of those goods on Americans.

Bananas are raised by the "pauper labor" of the tropics. There is no soil and climate in America suited to their growing. The logical Free Trade argument would therefore be to let foreigners grow bananas for us, and to devote ourselves to profitable lines of work and with our wages buy from the "flood of cheap foreign bananas." The logical Protectionist argument would be to shut out bananas by a high tariff, and then raise them in New England hot-houses for the benefit of those who can stand the high prices that bananas would then bring. Of course this latter argument is absurd. Everyone realizes its absurdity in the case of bananas. Well, it is just as absurd in the case of any other industry that cannot live without the artificial stimulus of "protection."

In Everybody's for September, Charles Johnson Post weaves a fanciful story of the growth of a protected banana industry in America. Read it! Become imbued with its absurdity! And then, in your mind, substitute the name of any other tariff-pampered industry, and realize how absurd a tariff is for that, too.

The story is entitled: "Jimmie's Infant Industry." It starts with the rash promise of Jimmie Gorem, the worthless son of trust-magnate Gorem, to go into any old business in order to satisfy his father's demand that he work.

"If I've got to choose right off, it's only fair to begin at the bottom and peddle bananas," said Jimmie, gaily.

The old man leaned forward grimly. "All right, selling bananas it is; 'I'll take you at your own word. And," he added bluntly, "if you go back on it now—well—"

The old man felt as sorry as Jimmie that this determination had been reached, but there was no going back on the word of a Gorem. Accordingly Jimmie was given a desk in his father's outer office and was told to reply to any inquiries by saying that he was the secretary of the Consolidated Fruit Products Development Company.

Then the old man set about to find some way to make the banana business

profitable. First he sent for his legal advisor, Foote. The old man had once remarked—it was the nearest he ever came to a compliment: "Foote don't waste any time telling me what the law won't let me do; he shows me how to go ahead and do it!"

This banana project had been the sudden result of a domineering nature and a peevish impulse. It was new, untried; his friends would regard it as freakish; yet there was never a thought of change. The banana business for Jim it must be. He had dealt with the great staples—steel, mines, traction, railroads, and once a venture in a textile consolidation. The perishable commodities that needed quick markets were, to him, an unexplored field. Yet he knew the principles that made his success in other fields, and never for a moment did his faith in his own powers falter. Besides, this appealed to him because it was the beginning for Jim.

Jim's beginning—He thought of his own: the dull, deadening battle with poverty; then the slow rise with others as humble as himself until chance gave him a sudden lift.

That was long ago, and it was very raw work, but it had given him the tip; some special privilege—illegal, legal, or natural—that was the point. Once that was attained, no commercial genius was needed to bring in a flood of dollars. Given a monopoly, and no brains were needed to make it profitable. He had dealt in monopolies and special advantages—privileges—governmental and private, tariffs and rebates, and monstrous fortunes had followed.

He could not monopolize the world's output of bananas, for the tropical banana belt girdles the world. . . . His thought was suddenly illuminated, and he broke into a raspy chuckle somewhere down his throat.

A trivial incident had been the foundation on which the old man had built the scheme. A little perfunctory notice in a daily paper had caught his eye some days before his interview with Jimmie. It briefly stated that from the Botanical Gardens two bunches of bananas had been sent to the patients of the tuberculosis hospital on the East River. They had been grown under glass, he read—but they had been grown in the United States! Later, when he thought over the banana problem on the evening after the interview, this recurred to him—they had been grown in the United States. It could be done; there was the proof—he would found a great American industry!

One night some weeks later, the old

man pressed a button and a powerful group gathered around the long directors' table in the private room of his up-town club. There were a couple of New England senators and a few congressmen from scattered but reliable constituencies, and the remainder were representatives of the heavy-caliber, substantial business interests. On each chair lay a printed pamphlet—the charter, as it stated on the cover, of the Consolidated Tropical Fruit Products Development Company; folded within was a blank for stock-subscription pledges. Attached by a wire clip was a typewritten statement, headed: "For the Daily Press."

The old man opened the meeting and announced: "Jim here is to be the secretary—and there's a lot o' room in it for more sons and relatives, and I guess that'll come in handy for most of you, anyhow. You've read the copy of the charter of the Consolidated Tropical Fruit Products Development Company; it's to raise bananas on the waste lands in New England, and it's drawn so that we've the power to run anything from a dago boarding-house to a pipe-line. Jim, read that statement that's been written for the newspapers, and then if there's no objection we'll send it out."

Jimmie arose with his mimeographed typewritten copy in his hand, and read:

Experiments made in the past few years in the growing of bananas under glass in the Botanical Gardens of New York have demonstrated conclusively that it can be done. A new field is thereby opened to American industry. Two bunches were recently presented to a local tuberculosis hospital in triumphant conclusion of these experiments.

No more important field for a great national industry has been opened up than that which lies in the development of this tremendous and proven opportunity. Not only will it solve the question of the enormous areas of abandoned farms and cut-timber tracts throughout New England and the Middle States, and thereby give employment to thousands of workmen, but it will react throughout the country and stimulate every industry that is related to this great development of the American home-grown banana. This is obvious when it is considered that millions of feet of glass will be required for the vast areas of greenhouses, that thousands of tons of structural steel will be needed for the frames, and vast quantities of paint and putty to finish their construction; also, in the line of accessories, there are the boilers and heating

pipes, the brick and cement, and the enormous demand for coal that will bring prosperity to all these trades.

The Consolidated Tropical Fruit Products Company proposes to begin on a moderate scale and at the end of the first year to have one hundred thousand acres of these abandoned and cheap lands under glass, and to expand this acreage as rapidly as possible. It is safe to say that no industry that has been undertaken in this country in the last half century has held such tremendous possibilities of profit and prosperity as lie in the growing of the American banana. It is only natural to expect that our Government will lend its protection to such a vital national enterprise.

As the result of the above-mentioned experiments (the two bunches grown in the Botanical Gardens) it becomes a simple matter to arrive at the total production on the basis of the first year's operations, *i. e.*, a basis of one hundred thousand acres under glass and planted to bananas. It is proposed to use the latest methods and intensive cultivation, and therefore the banana trees should be planted ten feet apart each way. This will give an average of four hundred banana trees to the acre, or a total of forty million banana trees. Allowing only one bunch of bananas to the tree and also figuring but two hundred bananas to the bunch, there would therefore be grown for the first year the total of eight billion, or eight thousand million bananas.

At a profit of only one cent each, which it is proposed to add to the cost of growing and marketing, they would produce a net profit of eighty million dollars! Should the proper political and trade conditions be secured, a profit of two cents each may be considered, which will, of course, increase the dividend to one hundred and sixty million dollars for the first year. The banana will bear the first year, under proper conditions.

Jimmie sat down; his part in the meeting was now over. His father leaned forward impressively and spoke: "I want to say that those last figures on the profits are wrong; they're too small. It will cost, roughly, fifty thousand dollars an acre to put the land under glass. In order to make a return of ten per cent. on that investment it will be necessary to add six and a quarter cents to each banana above the cost of production. And there'll be nothing to stop us making it more—within reason, of course."

The head of the Sheet Glass Trust rattled his copy of the charter and looked over his glasses fustily.

"Six and a quarter cents apiece for a banana, Mr. Gore, is a pretty high

price, even if it is extra fine and hot-house grown. They're six for a nickel generally around my office—sometimes less." He was a thrifty man of noted thrifty habits, and a quiet smile went around the group.

The old man cracked his knuckles cheerfully: "Six and a quarter cents apiece!—Who said six and a quarter cents apiece! I said six and a quarter cents above the cost—net profit—and probably more. I propose,— Mr. Parkinson—and gentlemen—that our first crop shall sell for **thirty cents apiece!** It'll cost twenty-one cents each to grow 'em—can't be done for less under glass."

A gentleman in a white waistcoat leaned forward interestedly; he was the Consolidated Steel Trust.

"I take it," he remarked, "that you have, Mr. Gore, of course considered the question and the relation of the present supply of bananas from the tropical countries? They are quite ample, and quite cheap, I believe?"

"Yes, I've considered it," returned the old man, "and I don't propose that another banana shall be landed on these shores. What's a tariff for, hey? Ain't it to protect American industry and capital, hey? I propose to have it made as dangerous to bring a banana into the United States as it is to forge a check, commit bigamy, or smuggle a petticoat!"

It was the president of the Consolidated Woolen and Textile Trust who chuckled dryly from the lower end of the table. "I follow you all right, Gore, but isn't it a trifle, so to speak—ah—drastic? Thirty cents a banana—pshaw!"

"Well, if it is," retorted the old man indignantly, "it ought to interest you good and plenty. If you textile people can get rubber arctics tariff-taxed as woolen goods and then get a duty on them of forty-four cents a pound and sixty per cent. additional, this ought to be right in your line. If there's anything more drastic or fantastic than that, it ain't in my banana proposition!" He prodded the table with a big forefinger in emphasis. "**Forty-four cents a pound** on woolen clothing is more than I'll have the nerve to ask for a tariff on bananas, let alone that sixty per cent. additional that you fellows put through!"

(The Payne-Aldrich Tariff Tax Law of 1909 taxes woolen clothing at forty-four cents a pound and sixty per cent. additional and rubber arctics have been included in that classification.)

"Of course the success of this project depends on the passage of an adequate tariff act, and I need not suggest that at first our united efforts must be centered in that direction. Our political party has been pledged for years to this great principle of protection for our

American industry in every line, so that we can confidently look to it for support now, as in the past."

The senators and the congressmen nodded an indorsement.

After the last magnate had departed, Jimmie turned to his father, who was standing before the onyx fireplace and rubbing his big-boned hands together in the way that Jimmie knew denoted perfect satisfaction.

"I say, Dad, at thirty cents a banana a lot of people will have to give up eating them, won't they?"

"Well," said the old man good-naturedly, "if they can't afford them—why not?"

Jimmie thought of the office- and messenger-boys with their lunch of frankfurter and banana topped off with a spoonful of "hokey-pokey"; also of the typewriters in his own outer office who brought their lunch in a paper, with the banana as the final effect. He could not help thinking that they could just afford them now.

Shrewdly the old man divined Jimmie's thoughts. "Jimmie, son, don't get swept off by any sentimentality over individual cases. One's got to think o' things—big things—as a whole. Why, son, the minute I float that foreign bond issue abroad and the money's deposited here to the credit o' the Consolidated Tropical Fruit Products Development Company, the per capita wealth of this United States will be increased over one hundred dollars a head, man, woman and child! Think o' that wealth, hey!—ain't that national prosperity? I tell ye, Jimmie, the Big Business men here are the country's greatest benefactors. What difference does it make even if fewer bananas are eaten by them that can't afford them, hey, if those that can, pay more for them? Isn't there more money in circulation? Ain't that prosperity? Bananas cost more; more money in circulation; more prosperity—don't that stand to reason, hey?"

"I see," said Jimmie. "And the higher we sell bananas, the higher wages we can pay, so that the prosperity gets distributed?"

The old man chuckled abruptly. "Don't be foolish. You just pray for a proper tariff to keep bananas out o' the country, and immigration and the natural birth-rate 'll take care o' what wages we pay—that's the natural state o' man in this world—competition."

"Still, Dad, it's kind of tough on those that can't afford business, isn't it?"

"Business is business," returned the old man briefly.

With a score of able influences at work, it was not long before visible signs of the new business could be noted.

Rapidly sentiment roused itself on

the great issue of a national, American banana and the inevitable prosperity that would follow the properly tariff-taxed fruit.

In the rural districts farmers' associations indorsed the banana and its protective tariff. In those same districts justices of the peace, road supervisors, school boards, poundmasters, and constables were elected—and occasionally defeated—on this burning issue of a national industrial patriotism. It was not long before the sentiment for the American banana seemed to spring from the very bosom of the people and merely to be reflected in the pages of the daily press, from the stalwart metropolitan journals on down to the little country sheet with its "patent insides."

The tariff must be revised; a tariff tax must be placed on the foreign, tropical banana that would effectually prevent its competing with the proposed national project; no longer could the country submit to the demoralizing effects of the exotic, pauper-grown fruit. The demand was specific, insistent, and there was no doubt that Congress would be forced to take up the question in response to the popular will.

An amendment to the existing tariff act would place a tariff tax of thirty-two cents apiece on each banana—this amount having been decided upon as sufficient to afford the ordinary leeway.

It was a foregone conclusion that the bill would be reported favorably out of the committee, as finally it was.

When the Banana Bill, as it was popularly known, was moved, a flood of minor oratory broke forth.

The chairman began with a review of the history of this country; he read the minds of the early fathers of the Republic and praised their transcendent wisdom. Those first early taxes on imports, he explained, were but the indication of the finger of Providence in our destinies.

"In those early days of struggle, Mr. Speaker, our country was poor; they dealt thriftily in small figures and had but faintly grasped the full principles of national prosperity. And I call the attention of the House, Mr. Speaker—and also of that small, unpatriotic minority who oppose progress and prosperity—to the indisputable fact that our country is more prosperous today than it was then; I further emphasize the fact that our tariff taxes were small then and greater now. Never was the relation between the tariff and prosperity more clearly evident.

"As we have increased our tariff taxes, so has our welfare thrived. Our great West, our vast natural resources, our inventive skill, and our industry—what are these but tributes to the genius of the tariff tax! Standing be-

fore the solemn altar of History, I say to you that those qualities do not make prosperity. It is the tariff.

"In past decades of timid tariff taxation it used to be apologetically stated that the foreigner paid the tax. We are a proud people, Mr. Speaker, and today we meet the issue squarely and say that the foreigner does not pay the tax! With a proper pride and self-respect we pay our own taxes—we ask no one to pay them for us. We have taxed ourselves rich and, as new fields of prosperity are pointed out to us by the great captains of industry, we should be proud of the opportunity to put our shoulder to the wheel of taxation.

"It has been alleged that this tariff on bananas will raise the cost of the banana to the American people. What of it! Is it to be said that an American is ashamed to buy expensive things—he, the highest paid worker on the globe! For this argument of cheapness I have the least patience. As that great statesman, President McKinley, when discussing this same tariff principle during his brilliant career, said that 'a cheap coat makes a cheap man'—so do I say with all the fervor of my cause that no less does a cheap banana make a cheap man!"

"This bill which we report has been drawn by experts; it has been drafted on that vital tariff principle enunciated by President Taft—that a just tariff tax is one so levied as to equal the difference between the cost of production in the United States and the cost abroad, plus a reasonable profit for the American manufacturer. The Tariff Board has been of inestimable assistance in this matter, so that the tariff asked for is exact. As is well known, the cost of raising bananas in the tropics is trivial, and we therefore ask for a protective tariff on bananas of thirty-two cents apiece—the difference between the cost of production at home and abroad, plus the reasonable profit."

The chairman of the Ways and Means Committee continued in a masterly protection address too long to reproduce. Then in a hushed silence he delivered the peroration:

"I see, Mr. Speaker, as in a vision, the now barren lands and stumpage of New England covered with sparkling acres of glass—greenhouses from horizon to horizon and topping the snow-clad hills of those now bleak states. Under the vast glass roofs, and in those artificially humid groves of fragrant bananas, I see thousands of happy American working men singing at their labors; in their near-by homes a multitude of happy hearts throb with joy for the blessings brought by the home-grown, all-American banana.

"As against that inspiring vision I see the present: the banana of today, a cheap, pauper-grown fruit from a cheap, pauperized foreign country. A negro in a ragged pair of breeches and a tattered shirt—or no shirt at all—and with a machete in his hand, living in a wretched palm-thatched shack and working for less than half a dollar a day! That is the man who is growing bananas for a freeborn American people! No American will accept such a wage or such a life—nor can he compete without an adequate protection against this pauper fruit.

"Under the shadow of those Stars and Stripes that proudly floated from Sumter to Appomattox, and in the great name of our free people, I ask you to pass this bill and give justice to the American banana!"

As the speaker took his seat amid a wild scene of tumultuous applause, a mob of eager hand-shakers surrounded him.

The old man turned to Jimmie.

"Come on, Jimmie—no use waiting any longer. It's all over; the Senate'll pass it without debate; and you're launched in business at last, son, and it's profit tight and fool-proof. Bringing a banana into the country from now on'll be a criminal offense, and you can make money as long as you don't have to sell bananas at over thirty-two cents apiece."

The next year the old man took his first vacation, and Jimmie slipped gradually into the sole control. Then the old man took his Final Vacation, and Jimmie was at the helm. Being, as the old man had felt, no fool, he continued to make monstrous sums of money from the banana business.

But if he had been a fool, the profits would have come in automatically; just the same.

This is the fanciful story of the All-American Banana. It is also the true story of the All-American anything-else that lives merely by virtue of a protective tariff.

#64.

In its direct economic effects, the levy of duties on imports in retaliation for duties elsewhere on a country's exports, makes the situation not better, but worse. If Germany levies duties on English goods, the advantages from the division of labor between the two countries are lessened by so much. If England, then, levies duties on German goods, those advantages are lessened by so much more.—Prof. Taussig.

"But surely your children are already old enough to work?"

"No. Their faces deceive you. They have already worked enough to become old."—From "Puck."

Campaign Key-Notes

The following extracts have been carefully selected from the speeches and literature of the Wilson campaign. They are arranged according to the Key Number system of Senator Hoar's "Tariff Manual." For a full explanation read the advertisement on page 16 of this issue of the Broadside; or, better still, send ten cents for a copy of the Manual.

#7.

It is the contention of the Democrats that the present methods of taxation in this country are neither correct in principle nor just in operation. Nothing better illustrates this than the present tariff act. Of all the money exacted from the people through the operation of this law, only about one dollar for every seven dollars reaches the Treasury of the United States. Much of the other six dollars is an enforced gift from the consumers to the manufacturers as a "protection of profits."

It is estimated that the total amount of tax burden imposed upon the people from tariff duties is about \$2,226,000,000 of which about \$309,500,000 represent the revenue which went into the Treasury in 1911 and \$1,900,000,000 the amount which is added to prices because of tariff and which therefore may be classed as "protection of profits."—Campaign Text Book, p. 77.

We favor the immediate downward revision of the existing high and in many cases prohibitive tariff duties, insisting that material reductions be speedily made upon the necessities of life.—Democratic Platform.

53 and 54.

There has been no more demoralizing influence in our politics in our time than the influence of tariff legislation, the influence of the idea that the government was the grand dispenser of favors, the maker and unmaker of fortunes, and of opportunities such as certain men have sought in order to control the movement of trade and industry throughout the continent. It has made the government a prize to be captured and parties the means of effecting the capture. It has made the business men of one of the most virile and enterprising nations in the world timid, fretful, full of alarms; has robbed them of self-confidence and manly force, until they have cried out that they could do nothing without the assistance of the government at Washington. It has made them feel that their lives depended upon

the Ways and Means Committee of the House and the Finance Committee of the Senate (in these later years particularly the Finance Committee of the Senate). They have insisted very anxiously that these committees should be made up only of their "friends"; until the country in its turn grew suspicious and wondered how those committees were being guided and controlled, by what influences and plans of personal advantage.—Campaign Text Book, p. 144.

The tariff question, as dealt with in our time at any rate, has not been business. It has been politics. Tariff schedules have been made up for the purpose of keeping as large a number as possible of the rich and influential manufacturers of the country in a good humor with the Republican party, which desired their constant financial support. The tariff has become a system of favors, which the phraseology of the schedule was often deliberately contrived to conceal. It becomes a matter of business, of legitimate business, only when the partnership and understanding it represents is between the leaders of Congress and the whole people of the United States, instead of between the leaders of Congress and small groups of manufacturers demanding special recognition and consideration. That is why the general idea of representative government becomes a necessary part of the tariff question. Who, when you come down to the hard facts of the matter, have been represented in recent years when our tariff schedules were being discussed and determined, not on the floor of Congress, for that is not where they have been determined, but in the committee rooms and conferences? That is the heart of the whole affair. Will you, can you, bring the whole people into the partnership or not? No one is discontented with representative government; it falls under question only when it ceases to be representative. It is at bottom a question of good faith and morals.—Wilson's Acceptance.

#16a.

We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.—Democratic Platform.

##17 and 18a.

In a report in 1903, Mr. Carroll D. Wright, then Director of the United

States Labor Department, estimates the cost of living in our own and European countries, not in percentages and wages, but in the number of days' earnings absorbed by the purchase of the necessities of life. By such a method he came to the conclusion that the number of days a man must work to cover the cost of housing, food, clothing, lighting, heating and taxes of the average family are in England 205 days; United States 225 days; France 231 days; Germany 240 days; Russia 266 days; Italy 290 days. IT TOOK MORE WORK OF THE AMERICAN LABORING MAN BY 20 DAYS TO COVER THE ADDITIONAL COST OF HOUSING, FOOD, CLOTHING, LIGHTING, HEATING AND TAXES OVER THE COST OF THE ENGLISH WORKING MAN IN 1903.

The price of labor in Great Britain is 17 per cent. higher than the price of labor in the same line of employment in Germany. If protection brought high prices of labor, one would expect to find it in Russia with an average ad valorem duty of 131 per cent. on imports. The price of labor is not one-half in Russia what it is in Great Britain. The thousands of cotton operatives at Lodz in Poland, Russia, have in recent years been upon a strike and many of them have been fainting in the streets from weakness for want of food. One would expect to find higher wages in Italy. Yet, with duties from 30 to 40 per cent. on cotton imports, cotton operatives have been recently on a strike and their wages are not more than two-thirds of those paid in the cotton factories of Lancashire.

#18c.

In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries.—Democratic Platform.

#20.

IT WOULD COST THE CONSUMERS OF THE COUNTRY LESS THAN ONE-HALF AS MUCH AS "PROTECTION" NOW COSTS THEM TO PAY A LIVING WAGE DIRECTLY TO ALL WORKERS IN THE COUNTRY WHO ARE IN THE SLIGHTEST DEGREE POSSIBLY BENEFITED BY PROTECTIVE DUTIES.

If the government should pay each of the 973,000 wage earners in manufacturing industries who are possibly somewhat benefited by protective duties, a wage of \$800.00 a piece, this total cost of protecting wage earners in manufac-

turing industries would be only \$778,400,000.

If the government should similarly pay each of the 400,000 farmers now probably benefited by protective duties on their products an average bonus of \$600 a piece, the cost would be only \$240,000,000, that is it would cost us only a total of \$1,018,400,000 to "protect" by paying the whole of a living wage to the workers for whose benefit protectionists now advocate protective duties.

The present cost of protective duties to American consumers in increased prices is at least \$2,570,000,000 a year. (The way in which this figure is reached is explained in the article on "Farming and the Tariff.") We may put this as follows:

A COST LESSON.

Cost to American consumers of trying, WITHOUT SUCCEEDING, to secure a living wage to wage earners and farmers by "protective duties" \$2,570,000,000

Cost to American consumers of subsidizing wage earners and farmers possibly slightly benefited by "protective" duties by paying them directly an ample living wage \$1,018,400,000

Saving to American consumers by abolishing the present "protective" system and subsidizing instead of pretending to "protect" alleged "protective" tariff beneficiaries \$1,551,600,000

THIS IS AN AVERAGE SAVING OF OVER \$70 PER FAMILY, and each family could well afford out of this saving to pay the average per family cost of duties collected last year (1911) which went to the government, that is \$14.00.—Campaign Text Book, p. 89.

#22.

Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.—Democratic Platform.

Special privilege will not treat its own people as decently as it treats others. The United States Steel Corporation sold its armor plate at Portsmouth, Eng., for the Japanese navy, at 50 per cent. of the price it charged the United States government, and I don't blame it for doing so. A government that hands

an industry a bludgeon with which to knock down its own citizens ought itself to be knocked down. This is one bit of easy money that I do not begrudge the United States Steel Corporation.—Marshall.

Great impetus has been given the Democratic work of tariff reform in recent years by the revelation of the practice of many manufacturers of selling protected American goods cheaper abroad than home. Among such manufactures may be enumerated such important agricultural implements as reapers, binders, harrows, hayrakes, and plows. Also steel rails, wire rope, sewing machines, illuminating and lubricating oils, etc. The meaning of this condition is that our tariff duties have long been unnecessarily high even from a protection point of view, and under the cover of this excessive protection combinations have grown up and taken control of our home markets which exact exorbitant prices from domestic consumers.—Campaign Text Book, p. 77.

#27b.

IF YOU SHUT OUT IMPORTS BY THE HIGH TARIFFS, YOU SHUT IN EXPORTS, AND IT DECREASES THE NUMBER OF JOBS WHICH YOU HAVE THEREFROM. The shut door prevents the going out of goods almost as much as the coming in of goods, and the open door, if it allows coming in, also allows the going out of goods. The manufacturers in countries where the exports are large give steady work to their workmen. Great Britain sells its exports to a billion and a half people all over the world and the result is a steady market and a steady call for the exported goods.—Campaign Text Book, p. 96.

#48.

You come here for trade—to promote trade—and trade is peace. (Hear, hear. Applause.) And if trade had no other good thing connected with it, the motive, the selfish motive in love of trade that keeps off war in order that trade may continue is a sufficient thing to keep up trade for. (Applause.)—Taft before the Congress of Chambers of Commerce at Boston.

#49b.

Our domestic markets no longer suffice. We need foreign markets. That is another force that is going to break the tariff down. The tariff was once a bulwark; now it is a dam. For trade is reciprocal; we cannot sell unless we also buy.—Wilson's acceptance.

PROTECTIVE TARIFFS, BY KEEPING UP PRICES, HAVE DIMINISHED BOTH CONSUMPTION IN THIS COUNTRY, AND EXPORTS, THEREBY REDUCING EMPLOYMENT.

EVERY IMPORT IS PAID FOR BY AN EXPORT.—Campaign Text Book, p. 96.

#50.

It is NOT the business of government to grant, under the guise of taxation, to any class of citizens or to any member of society special privileges which are not granted to EVERY OTHER CLASS AND TO EVERY OTHER MEMBER OF SOCIETY.—Marshall's acceptance.

We declare it to be a fundamental principle of the Democratic party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties, except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered.—Democratic Platform.

#51.

The chief cause of high prices in America is that the markets are controlled. They can be controlled because the tariff screens them from the economic forces which establish prices in the markets of the world at large. No wonder, therefore, that the leaders of the republican and progressive parties are saying less about high prices. They dare not, or will not, go straight at the cause of high prices in this country in the remedies which they propose. Government regulation will shield monopoly, as well as guide it, and regulation is not freedom.—Wilson at Columbus.

Protected by tariffs, the manufacturer does not increase labor's efficiency by the best machinery. The Tariff Board reports that both in the woolen and cotton factories there is an abundance of obsolete machinery, and this condition will be found in many of the factories. The truth is, the tariff has had a dulling influence on manufacturing in the United States; has been a narcotic to scientific management and a bar to profits, and it has seldom benefited the workingman anywhere in the world, but has robbed them all these years in the increased cost of the necessities of life.—Campaign Text Book, p. 97.

#54.

We denounce the Payne-Aldrich tariff act as the most conspicuous example

ever afforded the country of the special favors and monopolistic advantages which the leaders of the Republican party have so often shown themselves willing to extend to those to whom they looked for campaign contributions.—Wilson's acceptance.

#58.

It is not as easy for us to live as it used to be. Our money will not buy as much. High wages, even when we can get them, yield us no great comfort. We used to be better off with less, because a dollar could buy so much more. The majority of us have been disturbed to find ourselves growing poorer, even though our earnings were slowly increasing. **PRICES CLIMB FASTER THAN WE CAN PUSH OUR EARNINGS UP.**—Wilson's acceptance.

#59b and 60.

The high Republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessities of life to them but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets.—Democratic Platform.

The MOTHER of all special privilege is the HIGH PROTECTIVE TARIFF.—Marshall's acceptance.

#70.

The high cost of living is a serious problem in every American home. The Republican party in its platform attempts to escape from responsibility for present conditions by denying that they are due to a protective tariff. We take issue with them on this subject, and charge that excessive prices result in a large measure from the high tariff laws enacted and maintained by the Republican party and from trusts and commercial conspiracies fostered and encouraged by such laws, and we assert that no substantial relief can be secured for the people until import duties on the necessities of life are materially reduced and these criminal conspiracies broken up.—Democratic Platform.

Prices have risen all over the world, but much faster and very much higher in high tariff countries, where monopoly was protected, than in low tariff countries, where competition excluded monopoly.—Wilson at Columbus.

Comments on The Manual

In one respect the people have no party or candidates representing them in this campaign, so far as the tariff tax question goes. The Taft party, of course, as every one knows, is irrevocably lost to all sense of honor when it comes to dealing with the tariff. The Bull Moosers, because they needed a campaign fund, to be supplied by the steel and harvester trusts, proclaim themselves for a restrictive tariff tax. The Democratic party declares for a "tariff for revenue only," which is a restrictive tax the same as the so-called "protective" grab, only in a lesser degree. The Socialist party, because it appeals mainly to the passions of an unreasoning mob, comprised of supposed "beneficiaries of that highwayman system," is too cowardly to express an opinion on the question one way or the other.

In view of these facts Senator Roger Sherman Hoar has contributed a valuable pamphlet to the literature of the campaign in his *Tariff Manual*. He sums up completely all that can be said in favor of all these schemes of restrictive taxes, and then with the ease of a giant in throwing over the houses that children might make of cards, brushes them all aside. As THE CHANCELLOR has many times before stated, no disinterested person can study the question of taxing importations, whether upon so-called "protective" or "revenue" basis, and thereafter support either proposition. But since the people must choose, in this campaign between these two errors, it would be wise to choose the lesser of them, and support the Democratic ticket that at least proposes to cut down the amount of the swag that is to be filched from the people by a tax upon the food and shelter and the clothes they need.—The Chancellor, Omaha.

The American Free Trade League, is issuing a manual compiled by Roger Sherman Hoar, which will be useful for disputants, whether journalistic or forensic. It is annotated according to the West key number system.—The Monitor, Boston.

By using the West key-number system, familiar in law books, Roger Sherman Hoar has produced an inexpensive tariff manual in which reference may be made instantly to any of the essential arguments against Protection and for Freetrade. For example: You wish to know what anti-Protectionists think of the tariff with reference to labor; you turn to "wages" in the Index, where

you find all the paragraphs of the Manual on that subject referred to by number; you then turn to these paragraphs, and there you find brief discussions of the different phases of that particular subject. "Wages decreased, 35, 58," is one of the "W" lines in the index; "Wages, high, not maintained by the tariff, 16-18," is another; another is "Wages, high, not a burden on the employer, 19." Of "workingmen," you find in the index; also under "W," that they "need no protection, 15." Thus the whole labor subject with reference to the tariff falls under your eye at once, and you are ready to meet the Protection fallacy-maker with the common-sense rejoinder of the paragraphs indicated by the index figures. A "brief" is also included in the pamphlet, by means of which the book literature on each tariff subject is spread before you.—The Public.

Senator Hoar in this little pamphlet has condensed a whole library of information relating to the tariff. It is one of the most comprehensive things on this subject ever prepared and no one who wishes to qualify himself for an intelligent discussion of the tariff can afford to be without it. It is so arranged as to afford a ready reference and is really encyclopedic in character, although so extremely small in volume.—The Democrat, Johnstown, Pa.

WHY BROWN SUGAR DISAPPEARED.

Perhaps you have noticed that the old-fashioned brown sugar, like our mothers used to cook with, has practically disappeared from the market.

There is a reason. This reason consists of a "joker" in the Payne-Aldrich tariff law, under what is known as "Dutch Standard No. 16" test.

When this test was fixed it meant the barring out of the old-fashioned brown sugar, cheap and good, and that is why this brand of sugar has disappeared from the market. Whenever a tariff bill is in the making the agents of the sugar trust are on the ground to see that the "Dutch Standard" is maintained. They had no difficulty in getting the makers of the Payne-Aldrich tariff to accede to their wishes.—Chicago Bulletin.

#59.

"The fact is that the tariff reaches all along the line. You can't raise the cost of living to a man who is producing something to sell without forcing that man to raise correspondingly the price of what he has to sell."—Senator Moses E. Clapp.

The Platforms Compared

The tariff planks of the three platforms are printed below in parallel columns, the Democratic platform being given in the same order that it occurs,

and the two reactionary planks being split up to correspond with the Democratic arrangement. Each point discussed is annotated by Key Number to

the "Tariff Manual." For a full discussion of the Democratic and Republican Planks, see page 14 of the July number of the Broadside.

Democratic Plank.

Republican Plank.

Roosevelt Plank.

A PROTECTIVE TARIFF IS UNCONSTITUTIONAL (#50).

We declare it to be a fundamental principle of the democratic party that the federal government under the constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered.

(Nothing)

(Nothing)

THE TARIFF ROBS MANY TO BENEFIT A FEW (#60).

The high republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessities of life to them, but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets.

The products of the farm and of the mine should receive the same measure of protection as other products of American labor. We hold that the import duties should be high enough while yielding a sufficient revenue to protect adequately American industries and wages. Some of the existing import duties are too high and should be reduced.

We demand tariff revision because the present tariff is unjust to the people of the United States. Fair dealing toward the people requires an immediate downward revision of those schedules wherein duties are shown to be unjust or excessive.

PROTECTED INDUSTRIES PAY THE LOWEST WAGES (#18).

In the most highly protected industries such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries.

(Nothing)

(Nothing)

THE TARIFF DOES NOT CAUSE HIGH WAGES (#16).

We denounce the republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.

The republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage earners the American standard of living.

Primarily the benefit of any tariff should be disclosed in the pay envelope of the laborer. We declare that no industry deserves protection which is unfair to labor or which is operating in violation of federal law. We believe that the presumption is always in favor of the consuming public.

TAXATION OF NECESSARIES IS BAD PUBLIC POLICY (#7).

We favor the immediate downward revision of the existing high, and, in many cases, prohibitive tariff duties, insisting that material reductions be speedily made upon the necessities of life.

(Nothing)

(Nothing)

THE FOREIGNER GETS THE BENEFIT OF OUR TARIFF (#22).

Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home, should be put upon the free list.

(Nothing)

(Nothing)

DEMOCRATIC REVISION WILL INCREASE BUSINESS STABILITY (#26).

We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment.

The Democratic party is committed to the destruction of the protective system through a tariff for revenue only, a policy which would inevitably produce widespread industrial and commercial disaster.

Democratic Plank.

(Continued)

We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metals and chemical schedules, and the farmers' free list bill, all of which were designed to give immediate relief to the masses from the exactions of the trusts.

The republican party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest; and having been faithless to its pledges in 1908, it should no longer enjoy the confidence of the nation.

We appeal to the American people to support us in our demand for a tariff for revenue only.

THE TARIFF IS THE PRINCIPAL CAUSE OF HIGH COST OF LIVING (# 70, 56 and 51).

The high cost of living is a serious problem in every American home. The Republican party, in its platform, attempts to escape from responsibility for present conditions by denying that they are due to a protective tariff. We take issue with them on this subject and charge that excessive prices result in a large measure from the high tariff laws enacted and maintained by the Republican party and from trusts and commercial conspiracies fostered and encouraged by such laws, and we assert that no substantial relief can be secured for the people until import duties on the necessities of life are materially reduced and these criminal conspiracies broken up.

(Nothing)

(The following is taken from the Democratic Text-Book. It is supplementary to the Platform.)

The reasons why Democrats oppose the Tariff Board as now organized may be briefly summarized as follows:

(1) As now organized, the Tariff Board is responsible solely to the President of the United States, although the duty of formulating tariff legislation is entrusted by the Constitution to the House of Representatives.

Republican Plank.

(Continued)

We condemn the democratic tariff bills passed by the house of representatives of the sixty-second congress as sectional, as injurious to the public credit and as destructive of business enterprise.

TAFT'S VETOES.

(Nothing)

THE REPUBLICAN PARTY HAS DISREGARDED TARIFF PLEDGES.

(Nothing)

THE PARTY'S TARIFF STAND.

We reaffirm our belief in a protective tariff.

The steadily increasing cost of living has become a matter not only of national but of world-wide concern. The fact that it is not due to the protective tariff system is evidenced by the existence of similar conditions in countries which have a tariff policy different from our own, as well as by the fact that the cost of living has increased while rates of duty have remained stationary or been reduced. The republican party will support a prompt scientific inquiry into the causes which are operative, both in the United States and elsewhere, to increase the cost of living.

When the exact facts are known it will take the necessary steps to remove any abuses that may be found to exist, in order that the cost of the food, clothing and shelter of the people may in no way be unduly or artificially increased.

CANADIAN RECIPROCITY (#64).

(Nothing)

A TARIFF BOARD (#65).

Readjustment would be made from time to time to conform to changed conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this, correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the tariff board has demonstrated the pronounced feature of modern industrial life is its enormous diver-

Roosevelt Plank.

(Continued)

We condemn the Payne-Aldrich bill as unjust to the people.

The Republican organization is in the hands of those who have broken and cannot again be trusted to keep the promise of necessary downward revision.

We believe in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer, and which shall maintain for labor an adequate standard of living.

The high cost of living is due partly to worldwide and partly to local causes; partly to natural and partly to artificial causes. The measures proposed in this platform on various subjects, such as the tariff, the trusts and conservation will of themselves remove the artificial causes. There will remain other elements, such as the tendency to leave the country for the city, waste, extravagance, bad system of taxation, poor methods of raising crops and bad business methods in marketing crops. To remedy these conditions requires the fullest information, and based on this information, effective government supervision and control to remove all the artificial causes. We pledge ourselves to such full and immediate inquiry and to immediate action to deal with every need such inquiry disclosed.

We demand the immediate repeal of the Canadian reciprocity act.

We pledge ourselves to the establishment of a non-partisan scientific tariff commission, reporting both to the President and to either branch of Congress which shall report, first, as to the costs of production, efficiency of labor, capitalization, industrial organization and efficiency, and the general competitive position in this country and abroad of industries seeking protection from Congress; second, as to the revenue-producing power of the tariff and

Democratic Plank.

(Continued)

(2) The Tariff Board has been very expensive, having spent \$550,000 during the past three years, and the results obtained from this expenditure have been quite unsatisfactory, affording no helpful data for guiding in constructive legislation.

(3) The Board has been operating on a partisan basis, since it has been instructed by the President to attempt to ascertain the cost of production of commodities in different countries and to consider existing tariff schedules in the light of data thus obtained. This has proved to be an erroneous theory and can not furnish results of unbiased and sound judgment or establish facts in a non-partisan manner.

Republican Plank.

(Continued)

sification. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The republican party has shown by its creation of the tariff board, its recognition of this situation and its determination to be equal to it. We condemn the democratic party for its failure either to provide funds for the continuance of this board, or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the democratic method of legislating on these vitally important subjects without careful investigation.

Roosevelt Plank.

(Continued)

its relation to the resources of government, and thirdly, as to the effect of the tariff on prices, operations of middlemen and on the purchasing power of the consumer. We believe that this commission should have plenary power to elicit information, and for this purpose to prescribe a uniform system of accounting for the great protected industries. The work of the commission should not prevent the immediate adoption of acts reducing these schedules generally recognized as excessive.

THE FULL DINNER PAIL.



I.
CAPITAL.—Just see what Protection does for you!
Look at this fine full dinner-pail!
LABOR.—Great! Gimme it! I need it!



II.
CAPITAL.—Not so fast, my friend. I must have my share. We're partners, you know!



III.
CAPITAL.—There! Now you may have it!

THE TARIFF MANUAL.

In the last issue of the Broadside, this new book by Senator Hoar was advertised at 25c. a copy. The Broadside went to press before the book did. Such a flood of orders poured in, that a much larger edition was printed than had been originally contemplated. The possibility of much larger sales for campaign purposes has induced the author to make a reduction in the price, so as to reach as many people as possible. Accordingly, during the campaign only, the Manual will be sold for only ten cents a copy. To insure its still further distribution, special rates will be made for hundred lots.

In order to be perfectly fair to those who have already purchased at the old rate of twenty-five cents, all of these who will send in a request to that effect, will be sent two extra copies. But after the campaign is over, the old rate will be restored.



IV.
LABOR.—Thanks! God bless you, sir! I did n't expect so much!

—Courtesy of "Puck."

This Manual differs from all other works on the tariff in two respects: (1) it attempts to cover briefly and systematically every phase of tariff discussion, and (2) by the use of the West Publishing Company's Key Number

System, it is annotated to the future as well as to the past.

Every prominent economist has treated of the tariff. Every political campaign calls forth no end of speeches and magazine articles on the subject. Yet never has an attempt been made to group together the arguments on every phase of this great question. Many copious tariff bibliographies have been compiled. Yet never has one been put upon the market which was annotated to all that may ever be written in the future as well as to what has been written in the past.

The Tariff Manual covers every phase of the tariff and has every phase annotated to the future. This seemingly impossible feat is accomplished by the use of the Key Number System.

Send in your orders now to the American Free Trade League, 6 Beacon St., Boston, Mass., while this special offer lasts. Also while the edition lasts.

Tariff Manual, 10 Cents a Copy

Free Trade Broadside

Vol. 5

JANUARY, 1913

No. 1

Exporter's Viewpoint

By Alfred J. Miller.

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Tariff Calendar.

November 5—Woodrow Wilson elected President. He decides to call a special session of Congress to revise the tariff. President Taft decides to leave the tariff alone at the short session of Congress.

December 2—Congress convened for its short session.

The United States of America is noted for its power, wealth, prosperity, advanced civilization, and the large strides it has taken in nearly all branches of industry, so that the very name of this country is synonymous with greatness all the world over, yet the volume of our export trade is very small in comparison with that of business in general. Of the many articles based on its trade with foreign countries, only a few are received with favor on the foreign market, and most important of these is American machinery.

On the other hand, Germany is the foremost exporting nation on earth, and the great prosperity it enjoys at present is largely based on its trade with foreign countries. If I am correctly informed, the merchandise imported by South America alone, amounts to well over half a billion dollars worth each year, and the bulk of this business is handled by Germany. That country, and the other nations of Europe, are ready for the opening of the Panama Canal, and will descend like birds of prey on the west coast of South America, while we—we shall have the honor of having built the canal!

What is the cause of the conditions I have mentioned? Some say that we lack facilities for shipping goods to foreign parts, others claim that the Europeans are leaving us behind in the matter of sending out salesmen, and, whereas these salesmen are natives of the countries in which they travel or men thoroughly acquainted with the languages and customs of such countries, our salesmen, who are as out of place as immigrants on first landing in New York City, get into all sorts of difficulties and fail to get any business. Now, I imagine that, if orders were to come piling in from other lands, we should not long be in want of boats to carry the merchandise, for at present I see about as many boats as there are orders, and I believe we should have no trouble in getting salesmen of the right kind if it were really a paying proposition to send them out; yet I will not deny that there is some force in these arguments. However, it seems to me that we are overlooking a factor which is more important than all the others put together, viz., the tariff.

The old-line Republicans are in favor

of protection, or high duties on foreign goods, and claim that the welfare of our industries is based on this principle. At one time, it may be, our manufacturers needed such protection, but now they can make nearly everything that is made in Europe or elsewhere, and they can make it just as good. That is, we are just as competent and strong in this respect as the Europeans are, and why, then, should we require protection? Ah! but we cannot produce our goods as cheaply as the others can, and, accordingly, we must flee into a cave as it were, build a wall in the form of a high protective tariff, and, if Republicans, sit there like a bear in his hole in deadly fear of being smoked out at any moment. Now, as it happens, this cave opens into a secluded little valley on the other side, and is really a nice place to live in, wherefore we are urged to stay where we are and not mingle any more with the rest of the world.

Eighteen years ago we pulled the wall down, and sought to get into communication with the rest of the world once more, but the people took fright and built up the wall again. There were hard times, and, although they were not due to the abolition of the tariff, the nation was panic-stricken and decided to rebuild the wall. Now the enlightened men of the country are again clamoring to have the barrier removed, for, they say, we are strong enough to go out into the world—we can manufacture anything and everything and our products are inferior to none. The conservatives object to this, and assert that, if we take away the wall, a flood of cheap articles will come in from Europe and will demoralize our market. These products, they say, we must keep out. But do they not see that this same barrier, which is keeping out foreign goods, is also keeping in goods of American manufacture? Although little can come in, little can get out either.

Thus the advocates of protection have kept their eyes riveted on local conditions, have been content to take a one-sided view of the question, and have ignored the fact that they were doing all they possible could to make it impossible to create an export trade. The conservatives cry out against the low

(Continued on page 9.)

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Object.—The Overthrow of the Protective System.

Committee in Charge:

HARVEY N. SHEPARD

ERVING WINSLOW

JUDD E. DEWEY

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LATIN AMERICA.

Mr. Wilson is currently expected to appoint Mr. Bryan to be his Secretary of State. This will be a good step toward the development of American trade; for, whatever may be said of Mr. Bryan's views on internal questions, it is generally agreed that he is one of our soundest American statesmen on matters of foreign policy. He is also held in high esteem abroad.

This is particularly true in the countries to which the United States is especially looking at the present time, namely those of Latin America. In these countries a traveler is interested to find the almost universal sentiment that the three greatest Pan-Americans have been Bolivar, Washington and Bryan.

Mr. Bryan's good effect on trade will be increased by the fact that he is a firm believer in trade, trade freed from the hampering influence of a protective tariff.

One of the best things that Mr. Bryan ever said was his statement to a delegation from his district, seeking tariff favors of him when he was in Congress: "I would not vote to put the hands of others in your pockets, and neither will I vote to put your hands in the pockets of others." He clearly saw that the protective tariff was a system of mutual robbery.

Mr. Bryan, as a foreign statesman and a Free Trader, can do much to extend American trade.

A SUGGESTION.

Why not have the Federal government publish a series of economic textbooks for use in libraries and schools?

The people are awakening to a grasp of the great economic problems confronting this nation. And yet their education along these lines is being fragmentarily derived from political speeches and the press. In partisan communities, the people develop a lopsided point of view.

Now, the government wastes a lot of money in the wholesale distribution of speeches under congressional frank. Why not have Congress appoint a bi- or tri-partisan board with authority to publish a series of books, each containing a presentation of both sides of one economic subject by two men of authority and ability in that particular line?

Thus there could be a book on the tariff, by Byron W. Holt and Thomas O. Marvin, a book on the single-tax by Joseph Fels and some real-estate speculator, and so on. This series could be sent by each Congressman to the schools, libraries, and economists of his district.

The Broadside respectfully makes this suggestion to the members of the incoming Congress.

ANOTHER SUGGESTION.

Ever since the Tariff Manual was conceived, the Broadside has kept hammering at the idea of applying the West Key Number System to the study of political economy.

The suggestion is now made that the Protectionists and the Freetraders get together, and adopt a mutual system of key numbers. Steps are to be taken in this direction by the American Free Trade League. It is to be hoped that the Home Market Club will co-operate.

If the plan is adopted, it will enable the public to follow with ease the arguments and statistics of both sides of every phase of the tariff.

OUR STEWARDSHIP.

Members of the American Free Trade League often wonder just what the League is doing, besides publishing the Broadside.

During the past campaign, which resulted so agreeably to Freetraders, the League supplied tariff literature in large quantities to Democratic spellbinders, through the various speakers' bureaus of that party. It also aided in the making up of the tariff chambers of horrors which were sent out from New York, and which did much to refute by facts, the theoretical arguments of the Protectionists.

The League also brought about the organization in Massachusetts, of the joint executive committee of the Democratic State Committee and the two Wilson Leagues. Two of the three members of this joint committee were offi-

cers of the Free Trade League. The primary object and result of this joint committee was to bring the tariff exhibit to Boston. The New York authorities made repeated attempts to interest Massachusetts campaigners in this exhibit, but not until they finally appealed to the Free Trade League did anything get accomplished.

The joint committee maintained its activity throughout the campaign and did much to keep harmony between its three constituent organizations.

INTERESTING ITEM.

The "Wage Earner," a supposedly Labor organ, published in Boston, violated the corrupt practices act of Massachusetts, throughout the campaign, by printing paid political advertisements from the Home Market Club, without labeling them as such, and without having them signed as required by law.

CONGRESS.

The new Congress was not elected to be a Protectionist Congress. The people demand and expect a radical downward revision of the tariff.

Will the Congress have the courage to give the people what they want? What is more important, will the Congress establish here and now, for the first time in history, some definite tariff policy for this country?

(The Broadside prints the following, in spite of the legal opinion of several of the editors that the Act of August 24 is unconstitutional.)

Statement of the ownership, management, circulation, etc., of Free Trade Broadside, published quarterly at Boston, Massachusetts, required by the act of August 24, 1912.

Name and post-office address of editorial committee, which perform the duties of editor, managing editor, and business manager:

Harvey N. Shepard, 6 Beacon St., Boston.

Erving Winslow, 6 Beacon St., Boston.

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Roger Sherman Hoar, 6 Beacon St., Boston.

Publisher: American Free Trade League, 6 Beacon St., Boston.

Owner: American Free Trade League, 6 Beacon Street, Boston.

No bondholders, mortgagees, and other security holders.

(Signed) ROGER SHERMAN HOAR.

Sworn to and subscribed before me this 30th day of September, 1912.

(Seal.) (Signed) Albert W. Rice,

Notary Public.

My commission expires January 5, 1917.

Woodrow Wilson's Views

(Courtesy of the North American Review.)

The wrong settlement of a great public question is no settlement at all. The Payne-Aldrich tariff bill, therefore, which its authors would fain regard as a settlement of the tariff question, is no settlement at all. It is miscellaneously wrong in detail and radically wrong in principle. It disturbs more than it settles, and by its very failure to settle forces the tariff question forward into a new and much more acute stage.

It is so obviously impossible to settle the question satisfactorily in the way these gentlemen have attempted to settle it; it is so evident that men of their mind and with their attitude towards the economic interests of the country can never settle it that thinking men of every kind realize at last that new men and new principles of action must be found. These gentlemen do not know the way and cannot find it. They "revised" the tariff, indeed, but by a method which was a grand make-believe from beginning to end. They may have convinced themselves of the intelligence and integrity of the process, but they have convinced nobody else. The country must now go to the bottom of the matter and obtain what it wants.

It has gone to the bottom of it at some points already, and the process will be carried very far before it is through with it. In the first place, it is the general opinion throughout the country that this particular revision was chiefly pretence, and that it is the first time that we have had tariff legislation of this kind. The McKinley tariff bill and the Dingley tariff bill, whatever may be thought of their wisdom or of their validity as acts of statesmanship, were unquestionably frank and genuine. There was no concealment or make-believe about either their purpose or their character. No doubt many things were accomplished by them of which the public knew nothing and was intended to know nothing. Not all the advantages gained by this, that or the other industry from legislation of that kind could be explained to the public without creating inconvenient comment and startling questions that might cut very deep; but that is true of all legislation which is meant to give particular classes of citizens a special economic assistance or advantage. Private favors will inevitably creep in. But no one was deceived. The men who put those measures through had no doubt that they had the support of the country in doing so. They gave the country what they thought opinion would sustain; gave it what they honestly supposed that it wanted. But no

one who is capable of assessing opinion now can possibly claim that that is what the men who were behind the Payne-Aldrich legislation did. They knew that they were not giving the country what it wanted, and the more thoughtful and statesmanlike among them deeply regretted that they could not. There was a process almost of haphazard in the construction of the House bill, and mere false leadership and chicanery produced the bill which the Senate substituted for it and which largely prevailed in conference.

The methods by which tariff bills are constructed have now become all too familiar and throw a significant light on the character of the legislation involved. Debate in the Houses has little or nothing to do with it. The process by which such a bill is made is private, not public; because the reasons which underlie many of the rates imposed are private. The stronger faction of the Ways and Means Committee of the House makes up the preliminary bill, with the assistance of "experts" whom it permits the industries most concerned to supply for its guidance. The controlling members of the Committee also determine what amendments, if any, shall be accepted, either from the minority faction of the Committee or from the House itself. It permits itself to be dictated to, if at all, only by the imperative action of a party caucus. The stronger faction of the Finance Committee of the Senate, in like fashion, frames the bill which it intends to substitute for the one sent up from the House. It is often to be found at work on it before any bill reaches it from the popular chamber. The compromise between the two measures is arranged in private conference by conferees drawn from the two committees. What takes place in the committees and in the conference is confidential. It is considered impertinent for reporters to inquire. It is admitted to be the business of the manufacturers concerned, but not the business of the public, who are to pay the rates. The debates which the country is invited to hear in the open sessions of the Houses are merely formal. They determine nothing and disclose very little.

It is the policy of silence and secrecy, indeed, with regard to the whole process that makes it absolutely inconsistent with every standard of public duty and political integrity. If the newspapers published and the public read even the debates, empty of significance as they generally are, the entire country would

presently realize how flagrant the whole make-believe is. The committees under whose guidance the bills are put through the Houses disclose nothing that is not wrung from them by members who have made investigations of their own and who insist upon having their questions answered; and there are few enough who have the audacity or take the trouble. But here and there a fact is dragged out, and before the encounters of debate are over enough has been brought to the light to make extremely instructive reading. It is devoutly to be wished,—merely to cite examples,—that every voter in the United States had read, or would yet read, the debates in the Senate on the duty on electric carbons,—the carbons used in the arc-lights in all our cities,—and on the duty on razors. Every detail is a commentary on the whole depressing business.

One extraordinary circumstance of the debates in the Senate should receive more than a passing allusion. The Republican party platform had promised that the tariff rates should be revised and that the standard of revision should be the differences between the cost of producing the various articles affected in this country and in the countries with which our manufacturers compete. One of our chief industrial competitors is now Germany, with its extraordinary skill in manufacture and the handicrafts and its formidable sagacity in foreign trade; and the Department of State, in order to enable Congress the more intelligently to fulfil the promises of the party, had, at the suggestion of the President, requested the German Government to furnish it with as full information as possible about the rates of wages paid in the leading industries in that country,—wages being known, of course, to be one of the largest items in the cost of production. The German Government of course complied, with its usual courtesy and thoroughness, transmitting an interesting report, each portion of which was properly authenticated and vouched for. The Department of State placed it at the disposal of the Finance Committee of the Senate. But Senators tried in vain to ascertain what it contained. Mr. Aldrich spoke of it contemptuously as "anonymous," which of course it was not, as "unofficial," and even as an impertinent attempt, on the part of the German Government, to influence our tariff legislation. It was only too plain that the contents of the report made the members of the controlling faction of the Finance Committee very uncomfortable indeed. It undoubt-

edly showed, what independent private inquiries readily enough confirm, that the wages paid to skilled laborers in Germany are practically as great as those paid in the United States, the difference in the cost of living in the two countries being taken into consideration. To have made it public would have been to upset half the arguments for the rates proposed with which the committee had been misinforming the country. It would no doubt have explained, for example, why the skilled grinders of Solingen do not think it worth their while to emigrate to America and oblige almost all razor-makers in other countries to send their blades to them to be ground,—and many another matter left studiously undebated, unexplained, about which Senators had been asking for information. It would have proved that the leaders of the party were deliberately breaking its promise to the country. It was, therefore, thrown into a pigeonhole and disregarded. It was a private document.

In pursuance of the same policy of secrecy and private management, the bill was filled with what those who discovered them were good-natured or cynical enough to call “jokers,”—clauses whose meaning did not lie upon the surface, whose language was meant not to disclose its meaning to the members of the Houses who were to be asked to enact them into law, but only to those by whom the law was to be administered after its enactment. This was one of the uses to which the “experts” were put whom the committees encouraged to advise them. They knew the technical words under which meanings could be hidden, or the apparently harmless words which had a chance to go unnoted or unchallenged. Electric carbons had been taxed at ninety cents per hundred; the new bill taxed them at seventy cents per hundred feet,—an apparent reduction if the word feet went unchallenged. It came very near escaping the attention of the Senate, and did quite escape the attention of the general public, who paid no attention at all to the debates, that the addition of the word feet almost doubled the existing duty.

The hugest practical joke of the whole bill lay in the so-called maximum and minimum clause. The schedules as they were detailed in the bill and presented to the country, through the committees and the newspapers,—the schedules by which it was made believe that the promise to the country of a “downward” revision was being kept by those responsible for the bill, were only the minimum schedules. There lay at the back of the measure a maximum provision about which very little was said, but the weight of which the country may come to feel as a very serious and vexatious

burden in the months to come. In the case of articles imported from countries whose tariff arrangements discriminate against the United States, the duties are to be put at a maximum which is virtually prohibitive. The clause is a huge threat. Self-respecting countries do not yield to threats or to “impertinent efforts, on the part of other Governments, to affect their tariff legislation.” Where the threat is not heeded we shall pay heavier duties than ever, heavier duties than any previous Congress ever dared impose.

When it is added that not the least attempt was made to alter the duties on sugar by which every table in the country is taxed for the benefit of the Sugar Trust, but just now convicted of criminal practices in defrauding the Government in this very matter; that increased rates were laid on certain classes of cotton goods for the benefit, chiefly, of the manufacturers of New England, from which the dominant party always counts upon getting votes, and that the demand of the South, from which it does not expect to get them, for free cotton bagging was ignored; that the rates on wool and woollen goods, a tax which falls directly upon the clothing of the whole population of the country, were maintained unaltered; and that relief was granted at only one or two points,—by conceding free hides and almost free iron ore, for example,—upon which public opinion had been long and anxiously concentrated; and granted only at the last moment upon the earnest solicitation of the President,—nothing more need be said to demonstrate the insincerity, the uncandid, designing, unpatriotic character of the whole process. It was not intended for the public good. It was intended for the benefit of the interests most directly and selfishly concerned.

There was noticeable confusion in the counsels of the dominant party. Some said this, some said that. Many were anxious, probably a majority in the House, to fulfil in entire good faith the promise their party convention had given in its platform and the President had so frankly interpreted and repeated; others were willing, some were eager, to evade it. Their leaders led them by the way of evasion. I do not know whether they were conscious of doing so or not. It need make no difference to the country whether they were or not; it is only the fact that interests it, however the fact may affect individuals. If the leaders of the Republican party were not aware that they were seeking a way of evasion, they have an unusual capacity for deceiving themselves; if they were, they did not deal honestly by the country. Either alternative proves them wholly unserviceable and untrustworthy. We need not stop, therefore, to choose

between the alternatives: for we are not discussing their characters, but the present interests of the country with regard to the tariff. The question that interests us is this: How out of this confusion of counsel was an agreement reached, and why was the agreement that which the leaders of the House desired rather than that which the rank and file of the party would have honestly preferred? What, when its policies are in debate within its own ranks, finally determines the course the Republican party will take in a matter like this?

I know, of course, as every one does, how great the power of the Speaker of the House is, and the great and sinister hold the chairman of the Finance Committee of the Senate has upon the legislative machinery of that body, whatever signs of apparent independence it may show in the open processes of debate. It is matter of common knowledge what Mr. Cannon and Mr. Aldrich would prefer to have the House do when any question of this sort is under consideration. But these men represent forces, they do not constitute them. The forces that control the Republican party lie outside of them. They are only the spokesmen of those forces. Why do the rank and file of the Republican members still, in this day of change, find themselves unable to make an independent choice in a matter like this, of capital importance to their party and to the country? They do not mistake the signs of the times. Why, then, are they impotent?

The question can be answered very frankly, and, I hope, without partisan bias and without offence to honorable men whose principles I would not presume to call in question. The Republican party is old at the business of tariff-making and has established a business constituency. Its leaders feel that they must satisfy that constituency, and they force their followers to follow them by very concrete and practical arguments. It has come to a point where they have grown very stubborn and short-sighted in their loyalty to their constituency, but that is hardly to be wondered at. The loyalty is of long standing and has become a fundamental asset, as it seems to them, of party business.

The business of tariff-making naturally grows more and more complex, naturally comes to involve a greater and greater complexity of interests. Those who conduct it extend their clientage from generation to generation, to make sure that they have clients enough. Whatever principle may underlie tariff-making, and however valid that principle may be, however fundamental to the general development and prosperity of the country, tariff schedules arranged for “protection” are governmental fa-

vors. Those who make them, though acting for the nation, are the patrons of the industries favored: they dispense the largest of the Government, and those who receive the favors will be their partisans and followers so long as the favors continue. The relation cannot be avoided. The only thing that can be avoided is the corrupting influence of the relationship, and that can be avoided only by very strong men. A political party cannot withstand it for many generations together: cannot, I mean, withstand the gradual corruption of its will,—the temptation to make use of the patronage it dispenses for the perpetuation of the power it derives from it, the unfailing support at the elections of the wealthiest and most influential classes of the country.

Here, in a protective tariff, are the entrenchments of Special Privilege, and every beneficiary will of course crowd into them on the day of battle, determined to keep his own. Shall a man not defend what he has?

I am not seeking to point a moral. Neither am I drawing up an indictment of the Republican party. I am merely outlining the natural history of a governmental policy whose prime object is to make particular industries safe against competition. Parties are capital epitomes of human nature; and I dare say that any other party that espoused this principle of legislation would use it for party advantage in the same way. My point is rather how it has been used than who has used it. Its uses and effects are plain,—painfully plain now. Its use is to extend to certain undertakings Government favor and assistance; its effect has been to build up special privilege. No doubt the country will have to hold those responsible who managed the business; but its real interest will not be in punishing them, many of them honest and public-spirited enough, but in getting rid of special privilege. That it has made up its mind to do. It now only seeks the best and most effectual way.

It sees plainly enough, at last, that the place to begin is the tariff. That it saw before the last Presidential election; but Mr. Cannon and Mr. Aldrich have managed between them to make it more evident than ever before. They have executed their purposes, not wisely, but too well. A day of judgment is at hand.

"The sword of Heaven is not in haste to smite,

Nor yet doth linger."

The purpose of the people has much the same habit. Perhaps it is the sword of Heaven!

It is not a question of schedules. It is possible that by reasonable schedules

—by a minimum of favoritism and make-believe,—the tariff-makers of the special session might have quieted the country,—might have induced it to let the troublesome and perplexing subject drop for a decade or two. But it would have been only a stay of judgment. The essential wrong would still have cried out to be righted. And the essential wrong is this: that, except for a few men who have been fairly hypnotized by a system which they have accepted as political gospel since their youth, it has ceased to be a matter of principle at all and has become merely a method of granting favors. The favors are obtained in two ways—by "influence" and by supplication of a kind for which there is no classical or strictly parliamentary designation. In the vulgar, it is called "the baby act."

What "influence" consists of is a very occult matter, into which the public is not often privileged to inquire. It is compounded of various things, in varying proportions; of argument based upon the facts of industry and of commercial interest, of promises of political support, of campaign contributions, not explicitly given upon condition, but often spoken of by way of reminder, of personal "pressure" through the channels of old friendships and new alliances,—of things too intimate to mention,—though not, I believe, even in the minds of the most cynical and suspicious, of direct bribes. There is seldom any question of personal corruption. It is wholly a question of party corruptions, so far as it is a question of corruption at all.

The "baby act" consists in resorting to the Ways and Means Committee of the House and the Finance Committee of the Senate with pitiful tales, hard-luck stories, petitions for another chance, as the hosiery-makers did at the special sessions. It is an act very unpalatable to American pride, and yet very frequently indulged in with no appearance of shame. "Foreigners make better goods," is the burden of its cry, "pay smaller wages, and can add the ocean freights to their price and still beat us in our own markets." It often seems to mean that the foreigner has superior skill, uses better machinery, adapts his patterns more quickly to changing tastes, is more practised in economies of all sorts and is content with smaller profits. And so a handful of American gentlemen go to Congress and beg to be helped to make a living and support their operatives. Some among them do not need the protection; they have perfected their processes and their stuffs, can afford by better organization and more studied economies to pay American wages and still beat

the foreigner, if need be, in his own markets oversea. But the rest do need it to make good their failure. American labor is the most intelligent in the world, and when intelligently made use of is worth its extra wage, earns it without affecting the market. But the Government must support those who do not know how to use it as intelligently as their rivals, and the people of the country must be made to buy the goods they make at prices that will support them. This is indeed the "baby act" and these are easily recognizable as "infant industries"!

And so the question comes to be, What will the people say of this new system of the support of favored industries by the Government, now that they have come to understand it? For it is a new system. The principle upon which the system of protection was originally founded was the development of the country, the development of the resources of the continent and the skill of the people. That principle is intelligible and statesmanlike, particularly in a new country, without capital and unprepared for competition in a trading world. The principle now proclaimed and acted upon, with show of patriotic fervor, is that profits must be assured to those who cannot stand competition after development, after the accumulation of capital in the country, the perfecting of skill and the full attainment of economic and industrial independence amidst the trading and manufacturing nations of the world. This is indeed a new theory and will not bear examination.

Hamilton's position, the position of those who have intelligently and consistently followed him, is defensible enough. It is idle to bid a new nation on an undeveloped continent to put its faith in the natural laws of trade and production, buy in the cheapest and sell in the dearest market, build up its wealth on the demand for what it has and buy what it has not. For it has not at the outset capital enough to find out either its resources or its capacities. There must be a waiting and a spending time at the first before it finds out what its resources are and what it can do with them. The farmer cannot expect a crop the first season from unbroken prairie or uncleared land. It costs money to put nature into shape to be profitably used. Deposits of ore do not constitute riches until the mines have been opened and machinery has been installed by which the ore can be readily and economically got out. That takes time and money. Even when the mines are opened and can be worked at a profit they produce only ore. The nation that cannot use its ores in manu-

facture is still a poor nation, however rich its deposits. Only a few men in it will be rich until other men in it get the capital and the opportunity to use the ores in manufacture. That, again, takes time and money. South Africa was not rich because a few men owned and worked diamond-mines in it. Taking the world at large and as a whole, how are you to know which is the cheapest market in which to buy or the most advantageous in which to sell, so long as a whole continent lies undeveloped, a whole nation untrained, so long as America or South Africa has not come into the markets with its hidden stuffs and its unschooled peoples?

This is the question for statesmen. Nobody now doubts that the policy of Hamilton put the nation under a great stimulation, gave it the economic independence it needed, immensely quickened the development of its resources and the powers of its people. Protected from the direct competition of those who had already acquired capital overseas, who had already become masters of industry and put hundreds of ships upon the sea, who had the stuffs to work in and the skill to work them, things took on a very different aspect for the enterprising spirits of the young nation from that which they had worn in the old colony days. Those who cared to venture upon enterprise,—and who in America did not?—had the markets of a growing and industrious people to themselves. As the nation grew their trade grew, and their wealth,—with their wealth, their independence and their spirit of enterprise. It was wise,—in the circumstances it was more than wise, it was necessary,—to give the country an opportunity thus to find itself. It was necessary and wise to put it thus economically upon its own feet and make it worth its while to discover and develop its own resources.

It is perfectly consistent with such a policy, moreover, to give to every new enterprise, even in our day of America's abounding wealth and resourcefulness, such protection as it may need to get its start and come to its proper perfection of equipment and operation, provided it be an enterprise suitable to America's soil or resources or capacities. So far as the policy of protection has for its object the diversification and enrichment of American industry, it is admissible, dangerous though it be, because liable to be used in a spirit of favoritism and for party ends. The only thing not consistent with the sound original policy upon which the single defensible theory of the system rests is the encouragement and support by "protection" of industries in their very nature not natural to America, but forced and artificial. Being artificial, not indigenous from the outset,

they will need artificial stimulation to the end. Those who understate them will always have to be supported out of the public purse—by the taxes laid at the ports.

But this original basis and theory of protection, this genuine enterprise of statesmanship, was long ago abandoned or forgotten by the leaders of the party that stood for the system. Its leaders no longer talk of "infant industries" to be carefully nurtured and brought to maturity for the sake of the nation and its development. They know the sort of smile with which such talk would now be received and do not relish the thought of it. They boast, rather, of the economic supremacy of America in the money-markets, the steel-markets, the foodstuff-markets, the implement and machinery markets of the world, and naively insist that that supremacy should be maintained by import duties at the ports levied for the sake of those who are conducting our successful enterprises, in order to keep their profits safely up and make them feel that the country (which is, being interpreted, the party in power) will take care of them. It is not a system of stimulation or development; it is a system of patronage. Statesmen need no longer debate it: politicians of very ordinary managing abilities can easily keep it going. Indeed, it is no proper job for statesmen. It is a thing of lobbies and private interviews, not a thing of open debate and public policy.

Even this bad system worked no radical harm upon the country for a generation or two. The continent abounded in every kind of natural riches, individuals were greatly stimulated by the many inviting opportunities for manufacture and trade, the population of the country was growing by leaps and bounds, its domestic markets widening with every decade, its diversified industries enriching one another. The country was generously big and wide and various, its immense stretches extending into every climate of the temperate zone, its hills and valleys and high ascending western slopes inviting to every development of modern civilization. Its vast areas of free trade, trade absolutely without hindrance or restriction, guaranteed exemption from restraint by the interstate commerce clause of the Constitution, made it an incomparable field for rapid and normal development, a development about which, it turned out, there was almost nothing that was artificial and little that was not sound and lasting.

Moreover, those who had undertaken the great industries to which the customs legislation of Congress had given leave had not yet gone into combination. Enterprise was entered upon on in-

dividual initiative, was conducted by simple partnerships and small companies. There was a very active and quickening competition within the field of each undertaking that proved profitable. Those who succeeded had no more power than their mere wit at succeeding gave them. Fortunes were made, but upon a modest scale. The rich men of the country had only their local influence and did not determine the industrial processes of a whole continent or the methods of a whole industry. The prosperity of the country wore a generous and democratic aspect and did not set classes off in sharp contrast against one another. There was favoritism in arranging the system of protection, of course, and individuals were very often thought of rather than the country as a whole. The "log-rolling" in Congress was very often spoken of in the newspapers and with a great deal of asperity. The system had its glaring faults and dangers. But it was at least a game into which almost any one could get. It did not yet wear the ugly face of monopoly or special privilege.

We look upon a very different scene now. It is no longer a scene of individual enterprise, of small bodies of capital embarked upon a thousand undertakings,—a scene of individual opportunity and individual achievement,—able men everywhere, singly or in small groups, making themselves the economic servants of communities and reaping the legitimate profit of many an enterprise their own brains had conceived. It was in that day that the industries of the country were originated and put upon a footing to succeed. In our later day those who control the great masses of capital swept together out of the multitudinous earnings of the last two or three generations have combined together and put at the head of every great industry a dominating corporation, or group of corporations, with an organization and resources which are irresistible by any individual competitor,—by any competitor not supported by a like colossal combination of brains and means. The richest of those who enjoy the favors of the Government have combined to enjoy a monopoly of those favors. Enormous fortunes are piled up for a few, for those who organize and control these great combinations; but they are relatively very few in number and all men in their field of enterprise who are not in their combination are apt to become, first their crushed rivals, and then their servants and subordinates.

It is a very different America from the old. All the recent scandals of our business history have sprung out of the discovery of the use those who directed these great combinations were making of their

power; their power to crush, their power to monopolize. Their competition has not stimulated, it has destroyed. Their success has not varied industry, it has standardized it and brought it all under a single influence and regulation,—not the regulation of law, but the regulation of monopoly.

It is easy to exaggerate the iniquity of many of the things that have been done under this regime of the trust and the colossal corporation. Most of their methods were simply the old cutthroat methods of private individual competition on a new scale. What made them cruel and disastrous was not their kind, but their scope. Their kind was as old as economic history and rivalry in industrial enterprise, but their scale was new and ominous. The competition, the underselling, the aggressive canvassing, the rival expenditure and rapid improvement of process possible to these men who had vast capital behind them, who shipped so much that every railroad stood ready to bid for their patronage with lowered rates, who could buy a competitor out at any price and stood always ready to buy at the moment of greatest strain and discouragement, could not be withstood. The field cleared before them. The power was theirs, and smaller men, smaller concerns, went down before them. They had "cornered" the opportunity which the Government's favoring legislation had been intended to create.

Too much moral blame, it seems to me, has been laid upon the men who effected these stupendous changes. They were men of extraordinary genius, many of them, capable of creating and organizing States and Empires. Commercial morals had not been adjusted, by themselves or any one else, to the new and unprecedented scale upon which they did business. Private consciences were pooled and confused and swallowed up in those huge combinations. Men were excited and blinded by the vast object they sought, and pursued it, as it were, impersonally, by means they would not have used had they been dealing simply and face to face with persons and not merely upon paper with complex transactions, involving the business of a continent. It was a process in which commercial morals had again to find themselves, as in the days of treasure fleets and international spoliation.

But my present object is not to assess individual responsibility. I am describing conditions, not drawing up an indictment against those who created them or framing an excuse for them. I am studying a national policy and its effects; and about that, viewed in its present aspects, some things are very plain and ought to be plainly spoken of.

In the first place, it is plain that these new masters of our industry do

not need the assistance or the "protection" of the Government. They own or control a preponderant percentage of the resources of the country: of its mines, its forests, its cattle, its railways. They have brought the industries they control to a high state of perfection in equipment and organization, economizing their processes and improving their output. They have invaded foreign markets and sell to all the world, where there is no Government to assist them, where, on the contrary, there are hostile tariffs to overcome. They have made themselves entire masters of the opportunity created for them. Manufacturers engaged in the same lines of industry elsewhere copy their machinery and imitate their methods. All the world is justly jealous of their huge success. Their balance-sheets, on the one hand, and the success and skill of their processes, on the other, show how little they need protection.

In the second place, no political party can afford to be their partners in business. It amounts to that. In the earlier days of protection, when import duties created opportunities for thousands of men, the political party that maintained the system of protection had all the nation for partner. The benefits of the system were widely distributed. Its beneficiaries could nowhere be assembled in a single lobby. Their names could be included in no possible list. They were the people of the country by sample. But now, as compared with the former thousands, they are few. The names of most of them are known everywhere. Their influence is direct, personal, pervasive.

They are doing nothing novel through the lobby. It is just what the beneficiaries of this dangerous system have always done. It would seem the natural process of obtaining protection,—to ask for it and argue its necessity with the figures of the business in hand. But they are so few, so individually powerful, and command so many things that political parties need, or think that they need, for their success: money, widely-extended influence, the gift and the use of business organization national in their scope and control! They have as powerful a machinery ready to their hand as the Government itself. It is highly dangerous for the Government to be in partnership with them in the great enterprise of developing the country: their grip upon it can so easily become too direct and personal! The country cannot afford an alliance of private interest with governmental authority, for whatever purpose originally conceived, however honorably arranged at the outset. No body of business men, no political party, can long with-

stand the demoralizing influences of the relationship,—particularly no body of men so compacted and unified in interest as those who manage and finance the trusts.

It is not necessary for my argument to claim or to prove that high protection created the trusts and combinations of our time. I believe that it can be shown that it did, though I am ready to admit that they might, and probably would, have arisen in any case, though in a different form and with different proportions. But that is a complicated question which may for the present be put upon one side. Certainly the trusts have now cornered the opportunities created by the system of high tariffs. They no longer need the assistance of the Government; and it is highly desirable that there should be no alliance, and no appearance of an alliance, between them and either of the political parties.

That our industries are still greatly stimulated is evident enough. They are very vital and very prosperous. There is general employment; and when things go well and the money-market is not manipulated, or upset by our uncommonly bad system of currency, there is a general feeling of ease and hopefulness. But there is not general prosperity, that is a very different matter. When the great industrial and trade combinations can operate freely and without fear of disturbed prices and a frightened money-market there is always ready enough employment for those who seek it,—at wages forced up and maintained not by prosperity or the good business of the great corporations, but by the aggressiveness and determination of organized labor. The country is given occupation by those who have cornered the privileges to be had under the favor of Congress, and their success is easily made to look like the reign of unbounded opportunity for the rank and file; but that does not increase the proportion of employers to employees. The initiative and control are still with the few. Their money makes the mare go, and it is they who ride.

It does not do to think of these things with bitterness. It is not just to think of them with bitterness. They came about by natural process, not by deliberate or malignant plan. But it is necessary to point them out in plain language, to discuss them with candor and to comprehend them, when the talk is done, with wide-open eyes. It is easy to fall into exaggeration. Not all the industry of the country is in the hands of great trusts and combinations. Only its main undertakings are, its largest and most lucrative enterprises. But the picture I have drawn is, in the rough, true and tends from decade to decade to

represent to truth more and more perfectly and completely. If the tendency had worked itself out to its ultimate consequences, if it had accomplished its perfect work, it would probably be too late for reform. The body politic is still sound and still elastic enough to work upon; and many of the very men who have profited most by this new and ominous state of affairs are ready to join in the wholesome processes of reformation which will make opportunity general again,—not a monopoly, but a universal stimulus.

The fact which has disclosed itself to us, in these later days of the country's awakening, in this, then. We have witnessed the partial creation, the almost complete creation, on the one hand, of a comparatively small privileged class or body of men, the men who control capital and the uses to which it is put and who have, as the representatives (as all too literally the representatives) of the business of the country, the ear of Congressional committees; and we begin to see, under them, associated with them, on the other hand, a vast unprivileged body ("class" is too definite and formal a word) which forces its way to a share in the benefits of our apparently prosperous conditions only by threats and strikes, and is steadily deprived of a large percentage of what it thus gains by rapidly rising prices which day by day increase the cost of living amongst us. And the rise of prices itself seems to be connected with the system.

There has been a rise in prices in almost all the trading countries. The large recent increase in the supply of gold has had a great deal to do with it, here as elsewhere. Gold, the world's standard of value, having become cheaper because more abundant, more of it is demanded in exchange for goods, whose value has not changed. But this universal phenomenon of the rise of prices has had its special features and vagaries in America utterly dissociated from the price of gold; and it would be easy to prove that those who have managed to get control of the greater part of the output of the mines and factories have, by combination, set the prices to please themselves. They have made the usual use of their opportunity. While the Government has, by its high protective policy, spared them the anxiety of foreign competition, they have, by organization and agreement, spared themselves the embarrassment of any competition at all.

What, then, shall we do? Shall we adopt Thorough as our motto and sweep the whole system away, be quit of privilege and favors at once, put our industries upon their own resources and centre national legislation wholly upon

the business of the nation? By no means. The system cannot be suddenly destroyed. That would bring our whole economic life into radical danger. The existing system was built up by statesmanlike and patriotic men, upon a theory upon which even the most sceptical economist must concede it possible to found a valid and effective policy. It is very likely that by slower, sounder, less artificial means the country might have worked its way up to the same extraordinary development and success, the same overwhelming material achievement and power; but that is a question no longer worth debate by practical men. As a matter of fact, the method of artificial stimulation was adopted, has been persisted in from generation to generation with a constant increase of the stimulation, and we have at last, by means of it, come to our present case. It will not do to reverse such a policy suddenly or in revolutionary fashion.

It must in some conservative way be altered from decade to decade, if possible from year to year, until we shall have put all customs legislation upon a safe, reasonable and permanent footing. A process of alteration, steadily and courageously persisted in, will not disturb the business or embarrass the industries of the country, even if tariff act follows tariff act from session to session, if it be founded upon a definite principle by which its progress may be forecast and made ready for. Such a principle must be found. And the nation must find means to insist that, whatever party is in power, that principle shall be followed with courage, intelligence and integrity. The present method and principle of legislation does not keep business equable or free from harassing anxiety. It is based upon no principle, except that of self-interest,—which is no principle at all. No calculable policy can be derived from it. Discussion gives place to intrigue, and nothing is ever fixed or settled by its application.

What, then, shall the principle of reform be which shall hold us steady to an impartial and intelligible process? The old principle of Hamilton, in a new form and application; the very principle upon which the protective policy was set up, but applied for the purpose of reforming the system and bringing it to the test of a single definite object, its original purpose and energy having been fulfilled and spent.

Hamilton's purpose was to develop America, to give her industries of her own; to make it immediately worth the while of her enterprising and energetic men to discover and use her natural resources, the richness and extent of which even he never dreamed of; to en-

rich and expand her trade and give her an interior economic development which should make her an infinitely various market within herself; and to continue the stimulation until her statesmen should be sure that she had found her full vigor and capacity, was mistress of her own wealth and opportunity, and was ready to play her independent part in the competitions and achievements of the world. That object has been attained. No man not blinded by some personal interest or inveterate prepossession can doubt it. What would Hamilton do now?

In one sense, it is not a question of politics. It does not involve Hamilton's theories of Government or of constitutional interpretation. Some of us are Jeffersonians, not Hamiltonians, in political creed and principle, and would not linger long over the question, What shall we do to return safely to Hamilton? It is not a Hamiltonian question. Constitutional lawyers long ago determined that it was certainly within the choice of Congress to lay import duties, if it pleased, with a view to the incidental benefit of traders and manufacturers within the country; and, if that incidental object has in later days become the chief and only guiding object of the rates of duty, that, I take it, is only a question of more or less, not a question which cuts so deep as to affect the power of Congress or draw it seriously into debate again. As a matter of fact, the policy was entered upon and has been carried—to what lengths we know. The Hamiltonian principle, not a political, but an economic principle, was the only wise and defensible principle upon which it could have been established. It is also the only wise and safe principle upon which it can be modified and in part got rid of. For when you have the general benefit of the country as your standard, you have a principle upon which it is as legitimate to withdraw protection as to give it.

It may seem like a vague principle, affording room for many varieties of contrary judgment; but it will be found to lose its vagueness when stated in contrast with the principle upon which Congress has acted in recent years. In all the recent tariff legislation of the country, in all legislation since 1828, the committees of the House and Senate, when making up the several schedules of duties they were to propose, have asked, not what will be good for the country, but what will be good for the industries affected, what can they stand, what rates of duty will assure them abundant profits? It is true that they have assumed,—it has been the burden of innumerable weary campaign speeches,—that the prosperity of the individual interest considered would be

the prosperity of the country; but the poor sophistry of that argument has long been commonplace. By hard, desperately hard, use that assumption has been worn through to the thread. It must be replaced by new and sounder stuff. No doubt you can say to the country, "Feed and sustain these corporations and they will employ you: feed your employers out of the taxes and they, in turn, will give you work and feed you." But no candid student of this great question can now confidently believe that a policy which has the profits of the manufacturers as its main object is likely to promote the impartial, natural, wholesome, symmetrical, general development of the country.

The men who happen to possess the field do not constitute the nation; they do not even represent it when they speak of their own interest. We have taught them, by our petting, to regard their own interest as the interest of the country; but the two are by no means necessarily identical. They may be, they may not be. It is a question of fact to be looked into. Their prosperity and success may or may not benefit the country as a whole. Even if the country be indisputably benefited, it might be still more highly benefited by the promotion of an entirely different interest. What the fact is may depend upon many circumstances. It is those circumstances we are bound to look into, if we be indeed statesmen and patriots, asking not what the protected interests want or can prove that they need, but what it is to the general interest of the country to do: whether some interests have not been too much favored given a dominance not at all compatible either with honest politics or wholesome economic growth. In brief, we are now face to face with a great question of fact. What part of the protective system still benefits the country and is in the general interest; what part is unnecessary; what part is pure favoritism and the basis of dangerous and demoralizing special privilege? These are the questions which should underlie a tariff policy. No other questions are pertinent or admissible.

"The benefit of the country" is a big phrase. What do you mean by it? What do you mean by "the country"? Whom do you mean by it? If you are honest and sincere, you mean the people of the country, its sections and varieties of climate and population taken, not separately or by their voting strength, but together; its men and women of every rank and quality and circumstance; its bone and sinew. If any particular industry has been given its opportunity to establish itself and get its normal development, under cover of the customs, and is still unable to meet the foreign

competition which is the standard of its efficiency, it is unjust to tax the people of the country any further to support it. Wherever the advantages accorded by a tariff have resulted in giving those who control the greater part of the output of a particular industry the chance, after their individual success has been achieved, to combine and "corner" the advantage, those advantages ought to be withdrawn; and the presumption is that every industry thus controlled has had the support of the Government as long as it should have it.

There is something more than the economic activities of the country to be considered. There is its moral soundness; the variety, not of employment, but of opportunity for individual initiative and action which the policy of its law creates; the standards of business its trades and manufactures observe and are gauged by; and the connection which exists between its successful business men and its Government. By these significant matters should the tariff policy of Congress be judged, as well as by the tests of successful business.

Only those undertakings should be given the protection of high duties on imports which are manifestly suited to the country and as yet undeveloped or only imperfectly developed. From all the rest protection should be withdrawn, the object of the Government being, not to support its citizens in business, but to promote the full energy and development of the country. Existing protection should not be suddenly withdrawn, but steadily and upon a fixed programme upon which every man of business can base his definite forecasts and systematic plans. For the rest, the object of customs taxation should be revenue for the Government. The Federal Government should depend for its revenue chiefly on taxes of this kind, because the greater part of the field of direct taxation must be left to the States. It must raise abundant revenue, therefore, from customs duties. But it should choose for taxation the things which are not of primary necessity to the people in their lives or their industry, things, for the most part, which they can do without without suffering or actual privation. If taxes levied upon these do not suffice, the things added should be those which it would cause them the least inconvenience or suffering to dispense with. Customs thus laid and with such objects will be found to yield more, and the people will be freer.

There is no real difficulty about finding how and where to lay such taxes when once a just principle has been agreed upon, if statesmen have the desire to find it. The only trouble is to ascertain the facts in a very complex

economic system. Honest inquiry will soon find them out, and honest men will readily enough act upon them, if they be not only honest, but also courageous, true lovers of justice and of their country.

EXPORTERS' VIEWPOINT.

(Continued from page 1.)

prices of foreign goods, and merchants all over the world cry out against the high prices of American goods!

Will a lower tariff tend to correct this state of affairs? I think it will. The opposition asserts that it will lower the scale of wages, but, as the price of commodities will come down in proportion, what will it matter? What does it matter whether we earn two dollars and pay 40 cents for a pound of butter, or whether we earn one dollar and pay 20 cents a pound? Why, it makes no difference at all, as long as we preserve a just relation between prices and wages; and this we are bound to maintain, for our country is richer in resources than any European nation, and no one need fear that such relation will ever be what it is in Europe.

Lower prices will not be a calamity, but will be of real benefit to this country. When we produce our goods at lower prices, it will not pay to bring in foreign articles at the same prices, and thus we shall not require any protection. Besides, we shall in this manner be enabled to sell our goods in foreign lands, for it will take us down from our mountain-top of high prices and put us on a footing with the nations of Europe—it will place us in a position where we can compete with them. Even now we sell some goods in foreign countries, either because of the great superiority of our products in certain lines, or because in some instances we can sell at lower prices in spite of high wages on account of the abundance of raw material; and, when we once can reduce our prices to the foreign trade, an export business will result that will cause all Europe to sit up and take notice.

Contrariwise, if we uphold the policies by which we have been governed during the past sixteen years, we shall never get this business. During this period of time prices have gone up higher and higher, and although wages have also increased, what have we really gained in the matter? Absolutely nothing. They say that wages have gone up faster than prices, that we have gained in this way, and that this gain is due to the high tariff. Nothing is more opposed to the truth. This gain is due, not to the tariff, but rather to the in-

(Continued on page 11.)

Two Articles by Stoughton Cooley

WRITTEN FOR THE PUBLIC

HIGH WAGES AND THE TARIFF.

#14.

That people believe what they wish to believe was never better illustrated than in the case of the protective tariff. The very word "protection" insinuates itself into one's consciousness without challenge from the understanding. Life at best is a struggle; and to maintain one's self in the commercial world requires vigilance, self-denial, and arduous toil. To be protected from the forces that bear down so hard upon humanity means an easier lot. And so ardent is the wish for this immunity that many do not stop to inquire whether the schemes devised for the purpose really do afford protection. Analysis is waived, the facts accepted, and the conclusion swallowed. The name itself is sufficient to disarm criticism.

#40.

But it sometimes happens that the interval between the promise and the fulfillment is so long drawn out, or the result is so meager, that it attracts attention. Sceptically minded persons may ask, Wherefore? They may go so far as to inquire into the theory. And now and then one has actually been known to question the results.

#71.

When it was proposed to reduce the high tariff enacted to finance the Civil War, action was stayed by the plea that a high tariff was necessary in order to protect the infant industries that had sprung up while foreign goods were so heavily taxed. When this excuse had served until the "infant industries" had reached such colossal proportions that even hardened Protectionists no longer dared use it, the plea was changed to a tariff to maintain high wages and the American standard of living.

#15.

Here again is a plausible charge designed to pass unchallenged. Who that is dependent upon the labor of his hands, or of his brain, wishes wages reduced? Who would have the standard of living lowered? No, no, no, let no unhallowed hand touch the Ark of Prosperity!

#18.

But are the higher wages of this country really due to the protective tariff? Is the standard of living dependent upon keeping out foreign goods?

If the protective tariff is the cause of high wages in this country, one might well ask why a high tariff does not cause high wages in Spain, in Italy, in

France, or in any other European country that enjoys a high tariff. But lest Europe be too far away for a Protectionist's imagination, let the question be asked, What made American wages high before the tariff?

Not only did this country begin without a protective tariff, but it began in spite of tariffs levied against it. In the Colonial times the mother country passed onerous shipping laws, and laid burdensome taxes upon the struggling Colonists. And these oppressive measures of King and Parliament were enacted with the expressed and avowed purpose of preventing the Colonists from competing with like industries in England. Those were the days of real infant industries, and of an unnatural mother that tried to strangle them in their cradle.

Yet what was the condition as to wages and the standard of living in this country as compared with England?

For answer, it is not necessary to lean upon illusive statistics, nor to depend upon "royal commissions of inquiry into the condition of labor." We have a certain and infallible answer in the movement of population. Labor never knowingly goes from a place of high wages to a place of low wages. The fact that men of all races, creeds, and sects continued to emigrate from Europe to this country shows where wages were highest, where opportunities were greatest, and where the standard of living was best. And in spite of oppressive laws imposed by mother country the condition of labor was so much better in this country that immigration continued in increasing volume.

#19.

Nor did this relative advantage of labor cease with the setting up of an independent government. The early tariffs levied by the young government for purposes of revenue were low, yet wages and the standard of living were high, as shown by the steady movement of population. Henry Clay, the great high priest of Protection, said, when pleading for a protective tariff, we must have protection to American factories because wages are high in this country. That is the way he put it, "because wages are high in this country." Men who would engage in manufacturing said they could not do so because the labor of the country was already employed at wages higher than they could afford to pay without Protection. Labor in the fisheries, on the shipping, in the forests and on the farms was earning more than in Euro-

pean countries, and would not voluntarily enter manufacturing until the population was of sufficient density to permit of economical production. But the Protectionists, impatient of delay, disregarding economic laws, and ignoring the advantages of natural conditions, sought to drive Labor into factories by taxing it into other industries.

#16.

Now, if American wages and the standard of living were higher than abroad during the struggling Colonial days, and during the early days of the Republic, so that it was necessary to have a high tariff to drive men into manufacturing, at just what time did the metamorphosis take place that changed cause into effect, and effect into cause? Who will name the day, month or year in which the tariff raised wages or elevated the standard of living?

There is a reason why certain persons in this country wish the voters to believe their standard of living depends upon a protective tariff.

In the early days, when population was flowing into the Colonies in spite of the repressive laws of the mother country, Labor fared well, and employers enjoyed reasonable profits; but there were very few rich men. The American millionaire was as yet undreamed of.

#58.

But with the advent of a Protective tariff, a change came. Labor found conditions hard, and growing harder.

In spite of the utmost that unions can do, the margin of income over outgo is lessening. Men marry later, or not at all. Families are limited to two or three children, instead of the ten or twelve of former times. Employers find themselves facing a choice between failure and joining a trust. The millionaire is unnoticed, the multi-millionaire is a commonplace, and the black flag of the billionaire is already discernible on the horizon.

Is it really a mark of wisdom on our part to accept without question the claims of these interested persons?

THE DECADENCE OF AMERICAN SHIPPING.

##44 and 47.

Has any one marked, in these days of spread-eagling, the pathetic silence of the Protectionist regarding our shipping? The American ship bids fair to have a summing up as brief as that of the famous chapter on the snakes of Ireland. It may be recalled that the chapter in question consisted of six

words: "There are no snakes in Ireland."

What calamitous circumstances could have brought American shipping to this pass?

Time was, and that too within the memory of men now living, when our flag was to be seen upon every sea; and its presence proclaimed the largest, the fastest, and the best ships. As far back as 1800, when the nation was scarce out of its swaddling clothes, the flag covered a tonnage of 970,000 tons, while the British scarcely doubled it with 1,856,000. The Americans steadily gained on the mother country till, in 1860, our shipping amounted to 5,350,000 tons, while that of Great Britain, including her colonies, was barely 5,713,000.

With what pride does the American schoolboy scan the figures. And how eagerly does he turn to the next decade to see his country's flag the first in all the world!

Alas, for those who pin their faith to Protective tariffs! And woe unto them who would life themselves over the fence by pulling on their bootstraps! American shipping had reached its zenith, and started on its decline.

In 1888 it had fallen to 4,310,000 tons—less, actually, than thirty years before—while the British tonnage had mounted to 9,050,000.

Even those figures do not convey the full truth, for part of the tonnage was steam, and as steamers can make quicker voyages they are reckoned at a higher carrying capacity. America in 1860 had steam tonnage to the amount of 870,000 tons, while England had only 502,000; which made the actual carrying power of the two countries in that year—America 7,960,000; Great Britain 7,219,000. The American flag really covered more commerce than did the English flag.

Since 1888 American tonnage has increased somewhat, owing to our coasting trade. The law forbids any foreign ship from carrying freight or passengers from one port in the United States to another port in the United States, so that there are more ships in that trade now than formerly. But in our overseas trade, or foreign commerce, our shipping has dwindled from 2,379,396 tons in 1860, to 863,495 in 1911, while our foreign commerce in the same period increased from \$689,192,176 to \$3,576,546,340. In other words, our shipping decreased to one-third while our trade increased five fold.

Let it be viewed from another point.

Of our total imports and exports in 1860, sixty-nine per cent. were carried in American ships, and thirty-one per cent. in foreign ships. In 1870 the proportions were reversed, thirty-five per cent. of our foreign commerce being un-

der the American flag, and sixty-five per cent. under foreign flags.

The Civil War might be the cause of part of the loss. But in 1880 the percentage of our foreign commerce carried in American ships was only eighteen per cent. And it has continued to dwindle year after year, until in 1911 it had shrunk to less than nine percent.

That is to say, under a high protective tariff American shipping engaged in our foreign commerce has fallen off from eight-twelfths to one-twelfth.

Lest some deluded citizen should still doubt the efficacy of our tariff system, let one more fact be given.

During the fiscal year just closed our trade with the port of London amounted to nearly 212 million dollars. And during that year the American flag on a merchant vessel was seen in that port not once.

Think of it, O ye children of American sailors! Fifty years after the American flag had become the first on the seas, and while our commerce increased five-fold, not a single American merchant ship visited the largest port in the world in a whole year.

At the time when America was running bow and bow with Great Britain in the race for supremacy on the high seas; nay, when we had actually passed her in carrying power, our so-called free trade tariff was in force. Then came the Civil War—and a Protective tariff.

It was but natural that our shipping should fall off during hostilities. Ships of the South took out foreign registry to escape the Federal navy, while ships of the North went to foreign flags to escape Confederate privateers. All intended to return at the conclusion of peace. But they counted without their host. While the country was in the throes of civil strife, and men were laying down their lives for a principle, others of our citizens were seeking Congressional largesses. And not the least of these were the ship builders.

Not content with Protection that denied American registry to any foreign-built ship, and forbade any but American ships to engage in the coasting trade, they nagged at Congress till they secured a law that withheld the American flag from any ship that ever had flown a foreign flag. This barred all the ships that had taken out foreign registry during the war. Hence, the drop during fifty years of high tariff from 69 per cent. of our foreign commerce in American ships to 9 per cent.

And now men talk of reviving American shipping by means of subsidies! Having strangled it with Protection, they would revive it with a subsidy.

Can human fatuity go farther?

There were no subsidies when those white-winged messengers of peace dotted

every sea, and the American flag was seen in every port of the world. To talk now of subsidies is enough to make the old sailors turn in their graves.

Ship subsidies indeed! The disappearance of the American flag from the high seas does not mean that there is no American capital in the carrying business. Some of the largest companies are owned in this country. But our antiquated laws compel them to sail under a foreign flag. And in the event of war they would serve our enemies. Why, when our fleet of battle ships sailed around the world, they were coaled by foreign ships that would have deserted the fleet at the first shot!

Fifty years of high tariff, and American shipping in our foreign trade drops from eight-twelfths to one-twelfth. Great is protection! And great is the credulity of him who would enrich himself by taking money from one pocket and putting it into the other!

EXPORTERS' VIEWPOINT.

(Continued from page 9.)

creased productiveness of the country, the greater efficiency of machinery, the more economical ways in which business is now being done, and so forth, and this gain in wages we should have realized even if prices had not advanced a cent. No, no,—the only thing that has been accomplished by this continuous increase in prices has been to isolate us more and more from the rest of the world—to place us on a plane of high prices, where it is quite impossible to carry on a flourishing export business.

Are we going to retreat farther and farther from the rest of the world? Or are we going to knock down the barriers, join the world, and get some of the world's business?

Old Mother Hubbard
Went to her cupboard
To get her poor dog a bone,
But when she got there
The cupboard was bare,
And so the poor dog got none.
Old Mother Hubbard
Sat down and blubbered,
But the dog had the grit of a sport,
So he said, "Never mind,
I know you are kind;
Just give me a tariff report."

Ned Bullock, who bet \$4 on Taft said yesterday that so far as he is concerned the hard times have already begun.—Detroit Free Press.

Current Press Opinions on the Tariff

A WONDERFUL ECONOMIC DISCOVERY.

We have before us a campaign circular distributed among automobile factory employes. It contains the old familiar worn-out scarecrows as to the ruin which will follow Democratic success at the coming election. In one of the articles the manager of a large automobile factory announces a brilliant economic discovery. If an American buys an auto in Germany, he has the auto and Germany has the money; and when the machine is worn out he has nothing and Germany still has the money. On the other hand, if he buys it at home, we have the auto and the money.

A shipload of tea arrives in New York. We have the tea and China has the money. Why not raise the tea here and thus have both the tea and the money.

A shipload of sewing machines arrives in Shanghai. Would it not be equally good policy for the Chinese to make their own sewing machines and thus have the machines and the money? We will pay no attention to the doctrinaire free trader who will doubtless claim that the two transactions were simply a mutually beneficial exchange of products and the money both sides are supposed to save is a myth. He might further say that the Chinese labor which produced the tea is the cheapest tea-labor in the world, and the American labor which produced the sewing machines is the cheapest sewing machine-labor in the world, and, in consequence, we got more tea by buying it with sewing machines than by raising it ourselves; and, per contra, the Chinese got more and better sewing machines by paying for them with tea than by making them themselves.

If a farmer buys a suit of clothes of the tailor, he has the clothes and the tailor the money; whereas, should he make his own suit he would have the suit and the money too.

If the tailor raised his own cabbages, potatoes, etc., he would have the grub and the money. The possibilities of this system of accumulating wealth and abolishing poverty stagger the mind.

Two smart Yankee boys were shut up in the garret by their mother. Each started in with a jack-knife and nothing else. By dint of shrewd trading, when released each had his own knife back and \$1.50 in cash.

Proceeding step by step, our argument carried to its legitimate conclusion, leads us to the savage as enjoying ideal protection. He makes his own wigwam, and hence has both the wigwam

canoe, makes his own bows and arrows, hunts his own game, catches his own fish, thus piling saving upon saving. He has no fear of bankruptcy from ruinous competition, nor is he flooded with the products of pauper labor. Sundays he can read Protection leaflets composed by himself, written on a typewriter of his own make, thereby saving the cost. Evenings he can count the coins he has saved by the Protection of Home Industry, enjoying life surrounded by his happy family, resting on comfortable furniture of his own manufacture.—Philadelphia Record.

THE BLACK GLORY OF THE TARIFF.

That the tariff tax bears down heavily on the workingman in this country practically every minute of his life, and that he feels the pressure on every article of common use, was vividly demonstrated in the House by Congressman Underwood, floor leader of the majority. Mr. Underwood traced the operations of the tariff as it affects the workers, and gave the figures to show how heavy the tax and how relentless in its exactions. He said:

"Under the present oppressive tariff law the laboring man returns at night from his toil clad in a woolen suit taxed 75 per cent, shoes taxed 12 per cent., stockings and underwear taxed 71 per cent., a cotton shirt taxed 50 per cent., a wool hat and woolen gloves taxed 78 per cent. He carries a dinner pail taxed 45 per cent., and greets his wife as she looks through a window pane taxed 62 per cent. and a curtain taxed 42 per cent.

Other Commodities Taxed.

"After scraping his shoes on an iron scraper taxed 75 per cent., he wipes them on a mat taxed 50 per cent. He lifts the door latch taxed 45 per cent., and steps on a carpet taxed 62 per cent., and kisses his wife, clad in a woolen dress taxed 75 per cent. She is mending an umbrella taxed 50 per cent. with thread taxed 30 per cent.

"The house is made of brick taxed 25 per cent., and lumber taxed 9 per cent., with paint taxed 32 per cent. The wall paper was taxed 25 per cent. and plain furniture 35 per cent. He hangs his pail on a steel pin taxed 45 per cent., using soap taxed 20 per cent. His looking glass was taxed 45 per cent., and he combs his hair with a rubber comb taxed 35 per cent.

"He proceeds to eat his supper, which was cooked on a stove taxed 45 per cent., for which she used pots and ket-

tles taxed 45 per cent. On their table is common crockery taxed 55 per cent., and cheap glass tumblers taxed 45 per cent. The sugar he puts in his tea is taxed 54 per cent., which he stirs with a spoon taxed 45 per cent. His meal is a frugal one, because the cost of living is high.

Everything He Eats is Taxed.

"He uses a knife and fork, taxed 50 per cent. in eating salt fish taxed 10 per cent., bread 20 per cent., potatoes 22 per cent., salt 33 per cent., butter 24 per cent., and rice 62 per cent. He proceeds to read a book taxed 25 per cent., and at the close of the day reclines in an iron-framed bed taxed 45 per cent., with a mattress taxed 20 per cent., sheets taxed 45 per cent., and a cotton spread taxed 45 per cent.

"He is taken ill and the doctor prescribes medicine taxed 25 per cent., which, being ineffective, he passes from this active sphere of life and his remains are deposited in a coffin taxed 35 per cent., which is conveyed to a cemetery in a wagon taxed 35 per cent., deposited in its resting place in mother earth and the grave filled in by the use of a spade taxed 45 per cent., while over his grave is raised a monument taxed 50 per cent."—Chicago Dem. Bulletin.

THE EXTRA SESSION.

It is generally conceded that President-elect Wilson was wise in announcing an early extra session of Congress; but the new Administration will have no easy task on its hands. Its difficulties will be three in number; it must so order its programme that its majority at the extra session will agree on the tariff legislation. It must not do too little. It must not do too much. That the party would find its position awkward if it made mere pretence of revision, must be apparent to every one. It is committed to thorough revision, not only by its platform but by the speeches of its candidates. But, on the other hand, it is also committed, both by platform and candidates, to proceeding with its revision in such manner as to injure no legitimate industry. And even if this course had not been prescribed, commonsense and political experience would commend it. The situation may thus seem to be unpleasantly involved. We do not so regard it, however, and for two good reasons. In the first place, the new Congress will be fortunate in having already before it the four tariff-reduction bills—affecting the steel, cotton, wool, and

Effects of Protection

(By Joseph Leggett.)

chemical schedules—all of which were drawn with care by the House committee in the present Congress, all of which passed the House, and all but one of which passed the Senate. Here is a ready basis for the work of the extra session. Nothing will hinder the remodelling of any of these measures, and the remedying of such defects as may have arisen from the fact that the tariff bills of 1912 were not expected to run successfully the gauntlet of a Republican Senate and a Republican President. Furthermore, when thus re-submitted, these bills are reasonably sure to command the votes of the insurgent Republicans in the upper house.

If the party leaders were to be asked why the extra session should not immediately proceed to revise the rest of the tariff schedules, common sense and political experience would give the answer. No such revision, whatever its character and purpose, ought to be proposed without the most careful preliminary study of the problem. Nor can it, on the other hand, be safely put through except with constant view to the probable revenue from the altered duties, in its relation to the needs of government. But the new Secretary of the Treasury will not take office until the fourth of March; his budget of public revenue and expenditure will not be submitted until the ensuing December, and it will even then have to be judged in the light of the general plans of the appropriation committees. A comprehensive and general plan of tariff revision, as early as March or April, would therefore be subject to inevitable handicap. When to this consideration is added the fact that only with the assembling of the extra session will the Congressional committees be appointed, and the further fact that the committees which must prepare the tariff bills will consist in an unusual degree of men new to that exacting task, the wisdom of not attempting to do too much in the extra session should be manifest.—The Nation.

We will set our faces definitely toward the breaking down of all monopolies, tariffs, or special privileges, which favor the few at the expense of the many.

As surely as we desire civilization, or believe in religion, we will not seek any kind of privilege that cannot be turned to a larger and more positive social service.—Dr. Charles F. Dole.

Our hot-house laws,
Framed by unsatiated greed
Of one at cost of many, cause
Unnatural growths in us to flower.”
Austin T. Wright.

To claim that the United States is an example of a nation whose experience furnishes proof of the beneficial results of adherence to the system called “Protection” is to betray unpardonable ignorance of fact, or to give proof of disingenuous bias.

The United States of America is the most perfect example of a free trade nation that the history of the world has ever furnished. And its career as a nation has demonstrated to the whole world the beneficial results of absolute free trade. The forty-eight sovereign states that now constitute the Union are guaranteed perfect freedom of trade with each other. The late James G. Blaine was in his time regarded as the foremost advocate of protection in this country. In his “Twenty Years of Congress,” Vol. 1, pp. 210, 211, published in 1884, referring to the framers of the Constitution of the United States, he said: “They now had the opportunity, as citizens of a free republic, to show the generous breadth of their statesmanship, and they did so by providing in their Constitution, that Congress should never possess the power to levy ‘a tax or duty on articles exported from any state.’”

“At the same time, trade was left absolutely free between all the states of the Union, no one of them being permitted to levy any tax on exports or imports beyond what might be necessary for its inspection laws. Still further to enforce this needful provision, the power to regulate commerce between the States was given to the general government. The effect of these provisions was to insure to the United States a freedom of trade beyond that enjoyed by any other nation. Fifty-five millions of American people (in 1884), over an area nearly as large as the entire continent of Europe, carry on their exchanges by ocean, by lake, by river, without the exactions of the tax-gatherer, without the detention of the custom house, without even the recognition of state lines. In these great channels, the domestic exchanges represent an annual value perhaps twenty-five times as great as the total exports and imports.” Twenty years later, in 1904, it was stated by competent authority, that the annual value of the domestic trade between the States was at least fifty times as great as the total exports and imports of the whole country. I believe this to be an under estimate rather than an over estimate.

Mr. Blaine attributed the unexampled

development and marvellous prosperity of the United States to the enjoyment of free trade and protection at the same time. But if the benefit of each system was in proportion to the volume of business which was affected by it, it is easy to see how much more of the development and prosperity is to be credited to free trade than to protection.

But even as to that partial “protection” which the founders of the Republic left, unfortunately, in the power of the Congress to adopt, that is the tariff on imports, the history of the United States furnishes convincing proof of the superior advantages of freedom of trade.

It is an interesting fact that in the march of progress the two branches of the English-speaking race, on opposite sides of the Atlantic have kept nearly even step with each other.

Sometimes one led, sometimes the other. England abolished the slave trade in 1807, the United States in 1808. The former abolished slavery in 1833, the latter in 1863. In the matter of the extension of the right of suffrage, and in the matter of providing free popular instruction for the masses of the people, the United States has always kept far in the lead. In 1846, after a seven years’ struggle, led by Richard Cobden and John Bright, two of the noblest names that adorn the pages of English history, England abandoned the system of protection, and adopted the principle of free trade, to which she has firmly adhered ever since.

In the same year the United States adopted the Walker tariff, which was the nearest approach to free trade that this country had ever made. So well did the country prosper under this tariff that in 1857 Congress by the votes of members of all parties still further reduced it. Mr. Blaine, in his book already referred to, at page 196, says: “The tariff of 1846 seemed for the time to be so entirely vindicated and approved that resistance to it ceased, not only among the people but among the protective economists, and even among the manufacturers to a large extent. So general was this acquiescence that in 1856 a protective tariff was not suggested or even hinted by any of the three parties which presented presidential candidates.” And of the period between 1846 and 1857, at pages 202 and 203, he says: “Manufactures were not stimulated at the expense of the commercial interest. Both developed in

(Continued on page 15.)

Tariff Making of the Future

Address before the Economic Club of Portland, December 14, 1912, by Hon. Roger Sherman Hoar:

The subject for this evening has been announced as "Tariff Making." I suppose that you probably expect from an absolute Free-Trader like myself, a tale of political corruption, replete with concrete instances of bribery, coercion, trick legislation, et cetera. But it is not my purpose to dwell on the present methods of tariff-making; that subject being probably pretty well understood by most of you. Rather shall I devote my allotted time to a prophecy as to the future tariff-making policy of this country.

Do you realize that this country at present has no tariff-making policy at all? First we revise the tariff up; then we revise it down; then we revise it by a peculiar process, so that it appears to be going down, when it is really going up. And all this is done more with a view to the wishes of those who helped put in the temporary majority, than with a view to the welfare of business in general. The tariff is the foot-ball of politics; and those who can play the best game of politics get the most out of the tariff.

Let us, then, take the tariff out of politics! Oh, yes, we have heard that cry before. The Protectionists were never anxious to take the tariff out of politics until they began to lose control of politics. Now they want to take it out and put it in the hands of something else that they can control. And when they lose control of this new something, they will clamor to take the tariff out of that. And so on, ad infinitum. From the point of view of a Protectionist, taking the tariff out of politics means taking the tariff out of the control of the people.

How do they propose to do this? They propose a tariff board, responsible to whatever branch of the government the Protectionists happen to control at the time; or, if the Protectionists do not happen to control any branch of the government, then a tariff board which shall delay as long as possible any reduction of any schedule.

Let me cite the following example. About a year ago the Democrats and Progressive Republicans agreed on a substantial reduction of the wool duties levied under schedule K of the Payne-Aldrich Tariff. President Taft vetoed the revision bill on the ground that the Tariff Board had not yet reported. After the report of this board, Congress again submitted a wool-revision bill to the President. The President again

gave a veto, this time on the ground that the bill did not correspond to the recommendations of the board. We shall never know what would have been the grounds of his next veto, for we decided to elect a different president.

Now, it seems to me that a good many Free Traders have a scheme for taking the tariff out of politics, that is just as impractical as this scheme of the Protectionists; namely, they propose an immediate abolition of all tariffs. They are right to this extent, that the only way to take the tariff out of politics is to take it completely out of politics. They are right, when they contend that, as long as there is a tariff to tinker with, so long will business stability be threatened by the danger of tariff-tinkering. But they are wrong in being too precipitate.

Why, there is nothing that would please the Protectionists better than a too drastic reduction of the tariff by the new Democratic Congress; for that would mean an inevitable reaction in favor of Protection.

The overenthusiastic Free Trader should look to the medical simile so often employed by him, the simile of the tariff as a drug-habit. We want to rid the business of our country from this habit. We believe that when business becomes adjusted to doing without artificial stimulation, it will be healthier and more stable. But the far-seeing and conservative Free Trader prefers permanent results, rather than ephemeral Pyrrhic victories.

Now, it is a well-known medical fact that a dope fiend cannot suddenly be deprived of his dope without evil results, the worst of which is the almost certainty that his unsatisfied craving will prove too strong for him and will force him to return to his habit and become even more firmly addicted.

But if the victim is worth saving, a steady gradual deprivation will prove successful.

Why not take a leaf from the book of the Single-Taxers? I say this without any consideration at this time of the merits of their reform. What I do wish to call attention to is the merits of their proposed method for carrying their reform into effect. Their reform is a most radical one. They believe that no individual has a right to withhold land from use, and that the community as a whole is absolutely entitled to community-made values. But they do not advocate, like the socialists, a sudden and complete overturning of our present social system. No, they are too practical. The bills which they have

submitted to the legislatures provide for a gradual decrease of taxes on improvements, and a corresponding gradual increase of taxes on land. The object is to enable business to forecast the changed values that would result, and to give business ample time to adjust itself to these changes.

Why not do this way with the tariff? Why not adopt now a definite national policy of steady gradual tariff reduction, with Free Trade as the ultimate object?

Such a policy would meet the chief objections of both Protectionists and Free Traders. The chief danger from tariff reduction, feared by sincere Protectionists, is business instability. The danger would be eliminated by the policy suggested. The chief danger feared by thoughtful Free Traders is a reaction in favor of even higher tariffs than at present. That danger would also be eliminated.

The country is rapidly waking up to the evils of Protection. For a long time these evils have been obscured by our great natural prosperity and by the advantages of Free Trade between the States. But now we are waking up.

I have not time tonight to go into the evils of Protection; but they are well known. The people are beginning to realize how Protection increases prices, hampers trade, breeds war, decreases opportunities for employment, fosters wild-cat enterprises, builds up trusts, has an immoral effect on politics, business men and citizens generally, and hurts more individuals and industries than it can possibly protect. I have covered all these points in my Tariff Manual, and am just picking them at random now.

The people are demanding tariff reduction and will stand by it so long as no legitimate industry is adversely affected. Let us, then, adopt a definite policy, for the obtaining of that which the people want.

I believe that the new Democratic administration will adopt just such a policy. It would be in accord with the expressed views of President Wilson. Let me quote the following paragraphs from an article by him which appeared in the North American Review:

"The present method and principle of legislation does not keep business equable or free from harassing anxiety. It is based upon no principle, except that of self-interest—which is no principle at all. No calculable policy can be derived from it. Discussion gives place to intrigue, and nothing is ever fixed or settled by its application.

"What, then, shall we do? Shall we adopt 'Thorough' as our motto and sweep the whole system away, be quit of privilege and favors at once, put our industries upon their own resources and centre national legislation wholly upon the business of the nation? By no means. The system cannot be suddenly destroyed.

"It must in some conservative way be altered from year to year, until we shall have put all customs-legislation upon a safe, reasonable and permanent footing. A process of alteration, steadily and courageously persisted in, will not disturb the business or embarrass the industries of the country, even if tariff act follows tariff act from session to session, if it be founded upon a definite principle by which its progress may be forecast and made ready for. Such a principle must be found. And the nation must find means to insist that, whatever party is in power, that principle shall be followed with courage, intelligence and integrity."

That principle will be asserted by Wilson's administration, and will be followed with courage, intelligence and integrity, to the end that our country may be quit of privilege and our business placed on a firm foundation, without anyone being injured in the process.

The establishment of this policy will be the historical landmark of the Democratic administration of 1913.

THE "GLOOMS."

Naturally that fine old, encrusted body of stand-patters, the Home Market Club, can find no joy at all in the result of the recent election. It still holds its annual meeting, but the "glooms" have it, in both parliamentary and temperamental senses. It hopes, though apparently not very strongly, that "the revenue shall be so raised as to keep the mills of the country in operation and the operatives who work therein from starvation."

The mills will not close nor the operatives starve. Even to hint at such a condition as possible to arise from a genuine and proper revision of the tariff is to betray a pretty poor opinion of the energy and ability of American manufacturers and the producing qualities of American workmen. Industries that can sell their products successfully all over the world need have little fear of competition here at home.—Boston Post.

EFFECTS OF PROTECTION.

(Continued from page 13.)

harmony, while agriculture, the indispensable basis of all, was never more flourishing. The farmers and planters at no other period of our history were in receipt of such good prices, steadily

paid to them in gold coin for their surplus product, which they could send to the domestic market over our own railways and to the foreign market in our own ships." And on page 202 he says: "Our carrying trade grew so rapidly that in ten years, from the day the tariff of 1846 was passed, our tonnage exceeded the tonnage of England."

Had the country remained at peace for the ten years following 1857 there is good reason to believe that this country would have become more thoroughly free trade than England has ever been. The progress it made towards that goal and would have won and kept the first place in the rank of commercial nations. between 1846 and 1857 justified that conclusion.

President Lincoln in his first message to Congress, in 1861, drawing his conclusion from the social and industrial conditions everywhere prevailing in these states at that time, said: "This is the just and generous and prosperous system which opens the way to all, gives hope to all, and consequent energy and progress and improvement of condition to all." But the Civil War marred this ideal state of things so well and truthfully described by Lincoln, and gave to Privilege and Plutocracy their opportunity to force upon the people of this democratic Republic the same social stratification and the same economic inequality that have so long cursed the subjects of the old world monarchies.

It was the Civil War that fastened "Protection" upon this country. Henry George, in "Protection or Free Trade," p. 16, says: "Nor could protection have reached its present height in the United States but for the Civil War. While attention was concentrated on the struggle and mothers were sending their sons to the battlefield, the interests that sought protection took advantage of the patriotism that was ready for any sacrifice to secure protective taxes such as had never before been dreamed of, taxes which they have ever since managed to keep in force, and even in many cases to increase."

And what a Pandora's box of ills, social, economic and political, has this triumph of the protection interests let loose upon us! President Taft would be laughed to scorn if he dared claim that the condition of the masses of the people of this Republic today is as satisfactory, hopeful and inspiring as President Lincoln publicly declared it to be in the first year of his administration. The tramp, unknown to America before the war, and his concomitant, the multi-millionaire, are with us. We maintain a standing army of a million unemployed. Strikes and lockouts keep

the country in perpetual turmoil. Trusts and combines guarded by protective tariffs retain their strangle hold upon us. Protected manufacturers extort from American citizens, whose votes give them protection, much higher prices than they ask from buyers in foreign lands. Fifty years of the regime of protection have transformed the United States from being "pre-eminently the land of equality" into being as pre-eminently the land of inequality. Sixty years ago it had no monstrous private fortunes; today it has more colossal private fortunes than any other country in the world. One per cent. of its citizens control more of the general wealth than the remaining ninety-nine per cent. And the twenty-four directors of the tariff-fed Steel Trust control one-twelfth of the entire wealth of the country. Nor has it escaped the moral and political decadence which such vastly unequal distribution of wealth necessarily brings in its train. And the gulf between rich and poor threatens to grow fixed and impassable.

From this country to which, in the forties and fifties, people from all lands swarmed to improve their condition, more than half a million of American citizens have within the last six years emigrated to Canada in search of homes, and the number increases every year. And this first recorded American emigration has taken place while the Dingley and Payne-Aldrich tariffs were in full force, and last year exceeded one hundred and ten thousand. And in that same year the medical officer for the port of London reported that last year not a single vessel flying the American flag arrived in the Thames from foreign ports. This is the country whose tonnage in 1856 exceeded the tonnage of England, according to Blaine.



Tariff Publications

Obtainable From the American Free Trade League.

6 BEACON ST., BOSTON, MASS.

Each Pamphlet mailed on receipt of 2-cent postage.

Free Trade Struggle in England (book, 10 cents).	M. M. Trumbull.
Address of Henry George on Free Trade. 1893.	
The Panics of 1837 and 1857.	1896. Hon. John E. Russell.
The Success of Free Trade.	1897. Sir Robert Giffen.
Trusts and Remedies.	1899. Franklin Pierce.
The Window-Glass Trust.	1899. Byron W. Holt.
The Borax Trust.	1899. Byron W. Holt.
The Iron-Ore Trust.	1899. Bolton Hall.
Steel and Wire.	1900. John DeWitt Warner.
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Trusts in Great Britain.	1900. Thomas Scanlon.
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Free Trade vs. Revenue Tariff.	1911. Louis R. Ehrich.

Congressional Speeches:

The American Wage Standard.	1911. Hon. William C. Redfield.
The Wool Schedule.	1911. Hon. Henry George, Jr.

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The Tariff in our Times. By Ida M. Tarbell. Published by The MacMillan Co., New York. Price, \$1.50 net.

"My Story," by Tom L. Johnson, illustrated. Price, \$2.00; by mail 20 cents extra.

"Passing of the Tariff," by Raymond L. Bridgman. Price, \$1.20. Published by Sherman, French & Co., Boston.

"The Tariff Manual," by Roger Sherman Hoar. Published by the author at 6 Beacon St., Boston. Price 25 cents. Annotated to the future by the West Publishing Company's Key Number System.

"Sixty Years of Progress and Fiscal Policy," by Earl Brassey. Published by the Free Trade Union, London. Price, 1 shilling.

"Notes on the Fiscal Controversy," by E. G. Bunker. Published by the Free Trade Union, London. Price 6 pence.

"The Tariff and the Farmer," by Archibald Cummings. Published by The Hawthorne Association, Berryville, Va. Price 5 cents.

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Although this issue of the BROAD-
SIDE has been made ready for the
press at the office which has been the
headquarters of the League for the
past six years, by the time it reaches
most of our readers, we shall have
moved to our new office at the address
given. We hope the change will
mark the beginning of a new and en-
larged life for the cause of Free
Trade and of the League which has
worked for it so long and success-
fully

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Our New President



Gen. Haren Putnam

ANNUAL MEETING.

The Annual Meeting of the Ameri-
can Free Trade League was held at
the Twentieth Century Club on the
evening of June 9th, 1916. At the
business session the Treasurer re-
ported expenditures for the past year
of \$389.37 and a balance on hand of
\$447.94. A resolution was passed, ex-
pressing the appreciation by the
League of Mr. Harvey N. Shepard's
services for thirty years on the Ex-
ecutive Committee, and as Presi-

dent. New officers for the ensuing
year were elected by unanimous
vote. Their names will be found on
another page of the BROADSIDE.

Following the business session, the
members and visitors present sat
down to a dinner, at which Mr. Shep-
ard presided. Speeches were made
by the retiring President, by Mr.
Putnam, the new President, and by
Mr. E. N. Vollandigham of Chestnut
Hill. These addresses are printed for
the benefit of members not present.

Address of Mr. Harvey N. Shepard

Retiring President

There is nothing like the consciousness of a good cause to dispel the gloom of outward surroundings; and we can congratulate ourselves this evening that, notwithstanding the depressing influence of the weather, we find abundant content and peace here in the good cheer of our company.

I have come to this meeting with some feelings of sadness, as it marks a period at the end of many years of active interest. Thirty years ago this League was organized at a meeting in Young's Hotel in this city, then under the name of the New England Tariff Reform League, and Charles Francis Adams was its first president. I then was made a member of its Executive Committee and have continued such membership ever since, and part of the time I have served as chairman of the committee, and the last few years have been your president. For personal reasons, I have requested that my name be not considered again; and, while this evening will close my official connection with the League, I trust that no one will suppose I for one moment have lost my interest or faith in our principles. From my college days I have been convinced of the soundness of these

principles, and observation and extensive reading have confirmed these convictions.

It is true that in the immediate past the League has not been so active publicly as in its early years; but this is because our principles meet now with more ready acceptance and there is not the need of the earnest effort of the beginning; and also in part because other questions have claimed public attention. It is not true, however, that there has been no work on the part of the League. Our correspondence and influence have been most continuous. It is due to the suggestion of two of your officers that the first International Free Trade Congress took place, and you have been represented both at that Congress in London and in the congress held two years later in Antwerp. One of your members is on the International Executive Committee which has in charge the future meetings.

This war, among other things, has demonstrated the soundness of a revenue tariff system like that of Great Britain, which has met, with success and without change, the special claims made upon it, while a protec-

tion system like that of France, Italy, and Germany, has broken down entirely. Revenue continues to come into the British Treasury from customs taxes, while it has failed entirely in the other countries. When readjustment is made at the close of the war, one matter which must receive serious consideration is hostile tariffs. The removal of these and the establishment of free trade will do more than anything else, which I can think of, for permanent peace, as it will obviate entirely the plea for the commercial necessity of colonies and dependent possessions.

It is a great satisfaction to me in retiring from office that you are to have as president for the ensuing year so eminent a man as our guest of this evening, who from his early days as a soldier in the Civil War and through all the activities of a large publishing house has never forgotten that he also is a citizen of a great nation, and ever has been ready to give time and attention to public duties. He was a pioneer in this cause, and it is an honor to the League that he now follows in the footsteps of men like Mr. Adams and Henry L. Pierce as our president.

Freedom of Trade an Essential Factor in the Maintenance of the Peace of the World.

Geo. Haven Putnam.

I had the opportunity of being present in June, 1851, at the opening in London of the first of the World's Fairs or Expositions. I was but a boy at the time, but I have since read the account of the scheme of Prince Albert which took shape in the beautiful Crystal Palace in Hyde Park, and I have found myself interested in the ideals that in this scheme came into expression. Albert was a man of imagination, and he succeeded in imbuing with his own enthusiasm the representative Englishmen whom he had brought together in this World's Fair Committee. It was Albert's

thought, as set forth in the original statement about the Exhibition and as later confirmed in the address given at the opening of the Hyde Park Palace, that the fuller the knowledge of each other on the part of men of different communities and the closer their personal relations, the smaller would be the chances of friction and antagonism which had in the past so often resulted in war.

He pointed out that the governments of the nations were coming increasingly under the control of the peoples themselves; and he took the ground that when the peoples were managing their own national affairs, they would not be so foolish as to sacrifice their resources and their lives in the waging of unnecessary wars. As the people came to understand international relations they would realize that it was more profitable to sell goods to a neighbor than to kill him or to bring ruin upon him.

Albert felt also that in strengthen-

ing the web of commercial and financial relations, in extending business connections so that the men of one community would have business interests in another, there would, of necessity, be strong obstacles placed in the way of wars between such communities. Albert was a student of history, and he realized that in all ages nations had been ready to fight for markets, but he contended (many years in advance of the teachings of Norman Angell to the same effect) that the markets, or the profits from the markets could, in the majority of cases at least, have been secured even in ancient times, without the fighting, and that under improved business conditions there was no real requirement for causing political boundaries to become commercial barriers. It was his hope that this Exhibition would come to be, as it did come to be, the first of a long series of similar World's Fairs, and it is doubtless the case that these World's Fairs have brought to the

[Note.—The speaker decided, in authorizing the printing of this address for use as a document of the League, to omit certain statements in regard to issues or questions of the day concerning which there was not likely to be unanimity of opinion among the members of the League. All such omissions are indicated by asterisks.]

world the service that Albert had in mind of a larger knowledge by peoples of each other and of better chances for personal relations, for understanding, for business connections and for the development of national sympathies. Albert's prophecy or hopefulness in regard to the lessening of wars, to be brought about through this widening of knowledge and strengthening of business relations, have apparently proved to be without sufficient foundation. We may hold today, nevertheless, that Albert's ideals were based upon sound principles, and that the realization of these ideals has been delayed by certain exceptional conditions of which Albert could not have had knowledge. It is true that the peoples of the world will, in coming into the control of their governments, put to one side many of the causes that have produced war. It must also come to be true that the peoples will realize how much gain there will be, not only in moral satisfaction, but in business results through maintaining peace with each other and through adjusting business relations so as to lessen and finally to destroy unnecessary barriers. We may even hope that the present barbarous and inexcusable European war may be the last of the World's wars. There is an understanding in the twentieth century which had not taken shape in earlier times that commercial intercourse is not conditioned upon political boundaries. It is only when boundaries become barriers that trade does depend upon the flag; and it is then that by means of force the barriers behind the opposing flags are destroyed and trade makes its way.

The relations of Germany with the British Empire constitute a great example, the largest example that the world has known, of an enormous extension of trade without protection whatsoever from the flag representing the nationality of the traders. Germany, which has complained of being hampered by the "greedy selfishness" of England in its opportunities for expansion, has been given practically the free range of the British Empire for the development of its commerce and for the distribution of its productions. When the German complains that the "freedom of the seas" has been blocked by the navy of Great Britain, he forgets that under the protection of that same navy, German commerce has, during the past fifty years, secured its enormous development. German traders

have carried on their business free from any special burdens, in open competition with English traders in Great Britain and in all parts of the British Empire. The German settlements in South America give evidence that there has been no attempt to check the natural expansion and enterprise of the race; Germany has carried on its dealings to advantage with its own people in South America as well as with the South Americans themselves and without hindrance. German trade can be, and has been, made profitable in South America and elsewhere without the necessity of being covered by the flag of the Empire.

The United States presents the largest example that the world has ever known of the advantages resulting from freedom of trade among forty-eight communities possessing a large measure of political independence, communities varying very greatly in conditions of race, religion, and education, in the nature of their productions, in the methods of their trade, and in local interests and local prejudices. Americans at least ought now to be in a position to realize that the advantage of such unrestricted exchange is not confined to one party, but comes to both parties concerned. There is no grumbling on the part of citizens of Massachusetts, or of the citizens of Louisiana because of the absence of customs burdens on the shoes from Lynn sent to New Orleans, or on the sugar of New Orleans which finds sale in Lynn. The wine-growers of California, in exchanging the products of their vineyards for the manufactures of Pennsylvania, find no ground for doubt as to the advantage both ways of such exchange. If Maine finds it convenient to deal direct with Massachusetts, and if, as would certainly be the case, a line of Custom Houses on the State border would bring at once to the citizens of both Maine and Massachusetts irritation and indignation, one would suppose that the men of Maine should be prepared to realize that the line of custom-houses on the north separating them from their neighbors in New Brunswick presents an equally legitimate ground for annoyance. This line has been made to constitute a barrier that is entirely unnecessary and that makes wasteful interference with the development of business with their Canadian neighbors.

The natural outlet to the markets of the world of the products of Manitoba is by way of St. Paul and through

the territory of the States to the Atlantic. The diverting of this traffic, caused by the customs barriers, to transportation routes that are longer and more costly, brings needless expense to the shippers and to the consumers and loss of opportunity for profit to the United States. The advantage secured by the Canadian railroads in the greater receipts from freights makes a poor offset for the serious loss to the Dominion of Canada as a whole through the hampering of the development of a great and fertile region.

Protective systems carried to their logical conclusion are simply an extension of a state of war. Such economic war does not involve, at least directly, the slaying of the opponents or competitors, but it does from time to time bring about the ruin of these competitors. It constitutes not only a restriction, but an aggression upon the freedom of action of citizens on both sides of the boundary line. It is an interference with the privileges claimed by all independent citizens of the right to life, liberty, and the pursuit of happiness. Any restriction placed upon freedom of action, which is an essential factor in the pursuit of happiness, must show very good cause indeed for its continued existence. Through direct business relations and continued personal association, there results not only business advantage, but the larger service of development of character and of mutual confidence.

The New York Stock Exchange presents a distinctive example of transactions of great financial importance carried on between individuals without the formality of vouchers or documents. Transactions between dealers, often competing dealers, which not infrequently, as terminated, involve heavy loss for one party or the other, are completed and are maintained as valid on the strength merely of the raising of a finger or a nod of the head. The practice of doing business with the least possible machinery or barrier has brought about in Wall Street, as in other financial centres, a confidence between individuals. The result of this confidence has been an enormous saving in time, labor, and expense, while it has also produced a strengthening of the human relation. We may look forward to the possibility of bringing into existence and to assured development a similar confidence between independent communities living under distinct political control. * * * *

It will assuredly be the case in the

future, as it has been the case in the past, that a large number of issues will arise from the strife for markets. I believe that a necessary result of the attempt to maintain in organization such a League of Federated States will be to bring the representative citizens of these states to a realization of the large part that has been played by the various protective systems in creating such issues, and in giving rise to jealousies and frictions resulting finally in war.

It ought to be possible to make clear to the leaders of public opinion in these states, leaders who will constitute the representatives in the World's Council and in the World's Court, that if free trade has been of advantage to such a federation as that of the United States and that of the German Empire, similar and greater advantages will accrue when the tariff barriers are broken down between the civilized states of the world working together for the maintenance throughout the world of peace with justice. * * *

The term "international law" would, I believe, express conditions more accurately if it were changed into international right or international rights. It is the principles which may become authority, expressed in the term *jus*, that determine international relations and not the specific authority which is associated with the term *lex*. The destruction of protective barriers, and the recognition by all governments of the principle that governmental authority should be exerted toward securing the fullest possible freedom of action, would render extremely difficult, and in fact, in the great majority of cases, impossible, a monopoly or corner in any of the products which are essential for the existence or the welfare of humanity.

The "cornering" of the world's markets, at least in any of the necessities of life, would under such conditions be impracticable. The right of each individual throughout the world to use his abilities and his industries for producing that which he can produce the most effectively, and for placing his product in the market where it will secure for him the largest return (and that is, of course, the market in which the product is most needed and renders the largest service) is the right that will secure recognition under a World's Federation based upon freedom of relations, freedom of trade. There will also be secured through this development of civilization, a lessening of the need-

less frictions of government. The business of government will remain that of maintaining peace, of securing justice between individuals, between communities, and between the larger organized communities known as states.

We shall banish into the limbo of outworn absurdities the theory that the supervision or control of complex business conditions can wisely or safely be entrusted to legislators. We realize from the history of the United States that these legislators, having no direct knowledge of the conditions in question, are, of necessity, obliged to shape their law-making upon the request or demands of the men who have the direct knowledge, but whose interests are often opposed to the larger interests of the community which the legislator has himself sworn to protect.

In bringing about a general policy of free trade, and in destroying the reliance by business upon government co-operation, or government action, we free business on the one hand and legislators on the other from the demoralizing influences which have resulted from the long series of American tariffs. When business depends upon the result of an election, it becomes needlessly speculative, and when legislators depend for their election upon the support of business interests, the attention and the conscience of the legislator are diverted from his legitimate responsibilities, from the duty that he has striven to fulfil.

In the eighties, at a time when Mr. Joseph Chamberlain was conducting his campaign for the reestablishment of a protective system in Great Britain, I was invited by a Committee of the National Liberal Club of London to deliver an address on the results of protection in the United States. The generation of Englishmen which had grown up since the "hungry forties" and which had never had any direct personal experience with a protective system, were looking for "ammunition" in the way of arguments with which to withstand Mr. Chamberlain's specious eloquence. I found in talking over the matter with these English Liberals that their attention had been restricted, almost exclusively, to the economic conditions and results of a protective system.

They had given no thought to the results of such a system in making business speculative and in confusing political action with business interests and with business influences.

They knew little or nothing, about the demoralization resulting from a protective system. In my address, I gave an outline history of our tariff from the year 1862, in which year under the immediate urgency of securing a great national income for maintaining the armies in the field, we shaped excise and tariff bills taxing everything in sight and called the result a system of taxation. I recalled how taxes imposed hastily, without scientific investigation, and merely for the purpose of getting immediate moneys, were, after the war had passed and requirement for returns under this heading was no longer serious, permitted not only to remain, but to be extended and expanded.

I pointed out that a number of the import duties imposed in 1862 had been defended on the ground that they were required to constitute an offset to the internal taxes placed upon manufacturers and upon production generally. With the close of the war, the internal taxes, the five per cent. for instance, on manufacturing output, were promptly abolished, but the import duties that had been imposed to offset these were continued and extended. There had grown up back of these import duties an organized power of manufacturing interests which the unorganized interests of the consuming public were not strong enough to oppose.

I took the ground that the protective system had lowered the standard of national honor and lessened the consciousness of the citizen as to the dignity and honesty of national action. The citizen comes under such a system to think of the law-making in his national legislature as the result of a grab-bag. He gets into his mind a similar impression as to the international relations between the states of the world. He thinks of a reciprocity treaty as simply an opportunity for bargaining in such manner as to overreach the other fellow. It is, of course, desirable for the citizens of any state with great national and international responsibilities to learn to think imperially; but it is very difficult to maintain any dignified imperial thinking, or even any consistent imperial policy, when local business interests come into conflict with national responsibilities.

The members of this League are classed as Free Traders, but we are, I judge, in accord that if the power to shape the policy of the nation were placed in our hands, we should need

to give due consideration to the great interests that have grown up under the national protective system. The investments in these interests have been made legitimately and in accordance with the law of the land. Whatever action may be taken towards disassociating the government from business must be so shaped that it will minimize the loss to individuals and the loss that would also come upon the community as a whole, through the destruction of protected industries. These industries should be cautioned to put their houses in order. They must be advised that they cannot be maintained indefinitely at the expense of the community. They must be told that they will face a gradual reduction in the tariff barrier back of which some of them have been built up.

I do not believe there need be any practical difficulty in modifying our protective system towards free trade through the method of protection for revenue only.

Great Britain is carrying on her fight in this world's war, in the first place, for her own existence, and secondly, for the fulfilment of her obligations to France and to Belgium; and if these obligations had not been met, if England had sat quiet while Belgium and France were being crushed, she could have looked forward to no continued independence for herself. Great Britain is fighting also, however, for the rights of men; for the protection of democracy against the assaults of autocracy; for the maintenance of civilization.

* * * * *

In a commonwealth, it is right and not force, which is the principle of unity in the state. When the nations of the world have thrown down the conception of the "divine state," whose authority is not to be questioned and whose will is expressed by a Frederick or a William, and have adopted the principles upon which are based free commonwealths like Great Britain and the United States, we shall have the foundations for a world-wide system of freedom of trade based upon mutual respect and clear understanding, and upon the conviction that the welfare of each conduces to the welfare of all and that injury to one constitutes an injury to all.

War, in closing the channels of commerce and of intercourse brings about what may be called an extreme application of protection. If a nation is to become wealthy by being thrown back upon its own resources and by

being prevented from securing from the outer world goods or material for producing goods, Germany ought at this time to be growing rich from so thorough an application of the protective system. It need hardly be pointed out, however, that not only a warring nation like Germany, which is now practically shut in upon its own resources, but its antagonists, France and England, whose commerce while by no means destroyed, has been hampered by war operations, but even a neutral state like the United States, whose exports and imports have also been interfered with by war conditions, are all of them in a state of concern in regard to their trade and commerce. For the nation that is entirely shut in, there has been an absolute cancellation of commerce and, from the want of the needed supplies, a closing also of many lines of production. For the nations like England, France, and the United States, whose supplies of needed materials have been interfered with, there has been in like manner a lessening of production in certain lines. The lessening of production and the interference with assured prosperity caused by war barriers, are similar in kind, although often greater in degree, than the interference and the losses which are brought about by the equally unnecessary barriers of a protective system. Further, in war times the nation realizes the disadvantage of basing its income too largely upon protection duties. The importations cease, and the collections are no longer made at the Custom House; and at the very time when there is the largest need for expenditures, some new and necessarily hurried measures of securing revenue have to be adopted. All nations involved in the present war have, under the pressure of war requirements, been reducing their tariffs and even with these reductions it has, of course, not proved practicable to secure what is needed for their trade or for their livelihood. The German manufacturer is now secure from "dumping," the landowner has no longer to fear the competition of foreign food stuffs, and thus dearer food for the poor and a great scarcity of the necessities of life are assured for the German people. Yet the Protectionists of Germany show no gratitude! On the contrary, a wail of indignant protest arises alike from *Junker* and Manufacturer.

Germany has also done something to give to Great Britain the results

of a protective system. Her floating mines and submarines have limited the supply of tonnage and have raised the rates of insurance. This enables Englishmen to realize by actual experience what would have been the effect on supply and on prices if the proposals of Chamberlain's tariff reformers had become law. And yet the people are not thankful, and the rise in the cost of living has brought great dissatisfaction in Great Britain. It is not probable, when the war has come to an end, that the Englishmen who have thus tasted some portion of the results (we will not call these results benefits) of protection, will be likely to ask their government to inflict upon them in peace what their enemy has been endeavoring to bring about by measures of war.

The society of a commonwealth rests upon law, and this law represents the judgment not of a ruler speaking by "divine rights," but of responsible citizens. The citizens are expected to obey the law not because behind the law stands the policeman, but because they recognize that it is their duty and their advantage so to do. The fundamental quarrel of the free man with Prussianism is that it destroys freedom of conscience. Luther said that the justification of liberty was that man could truly serve God and his neighbor only if he were free to choose the means. A commonwealth can survive only if the sense of justice and the spirit of service are high among its citizens. To the Prussian, the world is an arena of conflict in which states and nations struggle endlessly to assert themselves;—the weak for liberty to exist as independent states, the strong for dominion. The life of a state is, therefore, necessarily a continuous war. It may be a suppressed war, for war as Clausewitz says, is only a continuation of policy, but it is always war.

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To the believer in freedom the world is not an arena of conflict, but a family of nations, often perhaps selfish and quarrelsome but still indissolubly united by a common humanity and by having common ends which they can only successfully pursue in common. Here is a direct issue between two conceptions for the organization of mankind. It is my contention that the principles and the practice of the protective system belong logically with the Prussian theory that a nation can prosper only through the destruction or

the weakening of its neighbor. The aggression upon such neighbor can be carried on either by economic or by military measures but according to the Prussian, aggression there must be. I hold, therefore, that when the time comes, at the conclusion of this war, for a readjustment between nations, and those who are believers in the possibility of a World's Federation come together to adjust the foundations for such a Federation, it will be essential to make a strong fight for the breaking down of the barriers belonging to a protective system. In this fight Great Britain will naturally be the leader. She is the one great state which for seventy years has consistently pursued a policy of a fair field and no favor. The citizens of the British Empire have had to fight, so to speak, for their lives against the competition of Germans and Americans for the markets not only of the world, but of the British Empire itself. It is the belief of the rulers and of the people back of the rulers, who have maintained for Great Britain this system of freedom of trade, that not only does such system fit in, as no protective system can fit in, with the higher ideals of civilization, but that it works on the whole to the decided advantage of the Britons themselves.

Address Delivered by E. N. Vallandigham at Annual Meeting of the Free Trade League, 1916.

Why Free Trade Lags.

Mr. Chairman, and members and guests of the American Free Trade League: Since I cannot claim a place in that distinguished company of 100,000 living orators, who speak in Boston night and day without ceasing, I shall crave the privilege of reading a few words from MS, and without pretence of oratorical grace.

Many years ago, when Congress somewhat ironically charged Robert P. Porter with the task of helping to show us how to reduce the redundancies of the Civil War tariff, we all talked much about taxation, and incidentally gave vent to a vast deal of unwisdom. With characteristic youthful assurance I then ventured to tell a distinguished lawyer of Wilmington, Delaware—a man later to hold a high place in the councils of the Nation and eventually to serve with great credit on the Federal bench, that I believed in tariff reform,—but not in free trade. "And why shouldn't trade be free?" was his quiet reply. Free-

We members of The American Free Trade League must do what may be in our power in the years to come to bring our fellow-citizens in this Republic to a realization that this should be our policy also. We must re-emphasize the truism that we have secured large advantages by free trade among our own forty-eight communities. We must also hold to the view that with American inventiveness, energy, and enterprise, we only want equal opportunity to secure our full share of the returns from the markets of the world. We must be ready to sacrifice the classes of production which cannot be carried on so effectively in America as elsewhere. We should maintain the contention that American labor and American capital must be employed in such way as to bring the largest results for the whole community. In fact, I hold, and you hold with me, that while we shall be working for the net advantage,—for the more selfish purposes if you will,—of our hundred millions of Americans, we shall have the further satisfaction that we shall be making a contribution to the principles of civilization, to the measures that will help to secure and to maintain the peace of the world.

dom of trade, he implied, should be as much a matter of course as freedom of speech, of the press, of the person. Such has long been the doctrine of political economists; save, I believe, of an eccentric few in Pennsylvania, where another kind of freedom, academic, is somewhat strictly limited by the social and financial interests of university trustees. All the arguments, indeed, are on the side of free trade, but a vast deal of legislation remains on the side of protection.

About a century ago, we, with something like unanimity, conferred upon our infant industries a considerable degree of protection against the incoming products of Europe, then, as soon now, we hope, emerging from a monstrous war. Up to 1816 most of us were practical free traders, and the protection granted at the close of the Napoleonic wars was frankly intended not to protect American labor from the pauper labor of Europe, but

to give American capital control of the home market. Solicitude for American labor was a happy afterthought of the protectionists. Everybody, except perhaps the beneficiaries of that first specifically protectionist legislation expected that the protection thus conferred would shortly be withdrawn. It never has been withdrawn, and for most of the century that has since elapsed it has been pretty steadily increased upon many articles, while there has never been a year of that whole period when some party was not clamoring for the continuation and extension of the system. Furthermore, "the tariff of abominations," enacted only about twenty years after we embarked upon this vicious policy, was saved from wholesome pruning in 1833, and the misnamed "American system" prolonged, by a disreputable compromise which in effect tied Andrew Jackson's hands itching to castigate rebellious South Carolina. I verily believe, also, that the perpetuation of the tariff system at that time joined with slavery to isolate the South from growing national sympathies, and to do what slavery alone perhaps could not have done, that is, in less than a generation, to supplement the abortive folly of nullification with the criminal madness of secession. We did not learn our lesson then, and apparently have not learned it yet, for men not only in the Republican party, but even some in the Democratic party are now proposing that we repeat our fatal mistake of policy committed after the Napoleonic wars. The Democratic time-servers are saying that we must protect that new infant industry, dye-making, and must prevent European manufacturers from "dumping" cheap goods upon our markets. Once in a century we have been embarrassed from lack of dyes because of a war in Europe, and it may be another century before any such embarrassment occurs again. Meanwhile we are asked to increase artificially the cost of dyes to American textile manufacturers, so that they shall be hampered in selling their goods abroad, and shall find excuse for asking a higher protective duty against foreign competition in the home market. The proposed highly protective tariff upon dyes means this and nothing else. The American consumer is expected to reimburse the American textile manufacturer for the increased cost of his dyes, and for his loss of the foreign market.

Our folly of a century has been zealously imitated for much of the period by a large part of Europe. Our

prosperity in spite of the protective tariff has been held up by selfish interests across the Atlantic as an instance of prosperity because of protection. Bismarck, far more militarist than economist, found his new empire a land of low revenue tariffs, and made it the peculiar home of high protection. France, Italy, Austria-Hungary, and the smaller states of the Continent now live behind tariff barriers to the vexing of trade, the nourishing of international suspicion, jealousy and enmity, and to the cruel injury of their industrial masses. All the while, however, the political economists have remained nearly unanimous for free trade, and for most of the time Great Britain under that system has had greater general prosperity and a higher wage scale than her Continental neighbors. Why is all this? Why does free trade lag?

Six considerations seem to account mainly for this divergence of theory and practice: (1) A tariff upon imports seems "the easiest way" of raising revenue. (2) Since everybody's business is nobody's business, it is easy to create and to maintain a system that enriches the few at the expense of the many, to transform a revenue tariff with incidental protection into a protective tariff with incidental revenue. (3) Even the unprotected business man is apt to prefer undisturbed conditions to the improvement promised by the tariff reformer and the free trader. (4) Workmen, whether protected or unprotected, are also timid at the prospect of change. (5) The Democratic party, as the only great political organization with a somewhat consistent record of opposition to high protection, has too often given aid and comfort to the protectionists, not only by yielding in the matter of tariff schedules, but also by actually accepting the arguments and implications of the enemy. (6) Finally, the avowed and uncompromising free traders have often been arrogant and tactless in presenting their case, and have thus offended some whom they might have convinced. Other influences have worked for protection, but these, I think are those of greatest importance.

A tariff at the gates of import is held to be the easiest way of raising revenue, just because it is an indirect tax obscurely felt by those who pay. Othello, who was a sensitive person, said he didn't mind being robbed so long as he didn't find it out. So it is with most of us as to the tariff; and nobody catches the thief in the act except homecoming travellers, while

some of those can beat him at his own game. When the Democratic party in those two glorious years, 1888 and 1892, was boldly calling the beneficiaries of the protective tariff "robber barons," the figure of speech was romantic, but misleading. Protection has no such heroic aspect as that of the mediaeval barons on the Rhine; it lacks even the boldly adventurous character of the modern footpad; its semblance is rather that of the pickpocket or the sneak thief. It robs us while we sleep, and most of us never awake to consciousness of our loss.

Could we have the daily visual evidence of the vast sums taken by the "privy paw" of the protective tariff, taken in most inequitable proportion from those least able to pay, an overwhelming majority of our 100,000,000 would speedily become confirmed free traders. The Oriental tyrant who wished that mankind had but one neck that he might enjoy the spectacle of a wholesale beheading, would have admired the system of levying customs dues at the great ports of entry as a clever adaptation of his murderous idea to the matter of taxation. Indeed the very name tariff, which has been pleasantly derived, perhaps by the friends of the system, from the Arabic, meaning "information" (misinformation, one inclines to amend) persistently smacks rather of the Tarifian pirates, who levied predatory toll upon the trade of the Western Mediterranean, a toll now taken by civilized governments and with no better title in so far as it enables favored industries to levy upon whole helpless nations. We see not the face of the tax gatherer, but he stands at the outer gate, taxing all that enters, and for every dollar that he levies on articles the like of which we produce at home, the home manufacturer is empowered to levy no one knows how many more. The thing is as easy as lying, and just as immoral, but governments will be slow to give up so insidious an engine of oppression. Furthermore, some who recognize the injustice of the protective system, and the difficulty of framing a revenue tariff that shall not involve incidental protection, profess their inability to imagine a better method of raising revenue. As a radical and uncompromising free trader I can hardly imagine a worse. The way to reform the tariff is, in the phrase of Shakespeare, to "reform it altogether," to rid our ports of custom houses as we rid our channels of sandbars, and raise our revenue solely by direct taxation,—to speak plain-

ly, by a single tax on land values. Under such a system and only such, we should have genuine free trade, though I know that many free traders balk at so radical a doctrine.

What is everybody's business is nobody's business. We each lose something by the protective tariff, but most of us do not realize that we are thus robbed, though we see the few beneficiaries of the tariff rolling in wealth from the loot of a nation. Thus hugely subsidized, the protected interests own members of Congress, employ hired mouths and purchased pens to juggle statistics, misrepresent facts, pervert arguments, vilify free traders, and darken council, to terrorize workmen, and alarm capital whenever public sentiment seems waking up to the monstrous character of the toll levied upon us in the name of protection. Imagine a state of something more than 10,000 inhabitants in which 100 men have the hope of profiting in the aggregate \$100,000 a year by legislation urged as a great public benefit, while the remaining 10,000 will be forced to contribute the \$100,000 to their few fellow citizens by means so insidious that nobody can be quite sure how much he loses, and many will be persuaded that they lose nothing. It is easy to see how hard the few awake to the wrong would find it to prevent such legislation or to bring about a public sentiment for the repeal of the unjust law. The voices of the 100 beneficiaries, and their hired mouths would drown for long years perhaps the outcry of the reformers, and the longer the wrong persisted the harder would it be to correct the evil. Multiply the terms of this proposition by 10,000, and you approximate, roughly indeed, the condition perpetuated in this country by the protective tariff, except that you exaggerate the number of its beneficiaries, and probably minimize the amount of their benefits. Is it surprising that free trade lags when the conditions of the contest with the protectionists are so unequal? Is it surprising that out of the slight incidental protection granted by our earliest tariff has grown the monstrous thing that we have endured for more than fifty years?

Business men hate and fear change; having adjusted themselves to the burdens of protection they dislike the prospect of a new adjustment. Early in the canvass of 1912 an able and reputable business man of Boston, in discussing the issues of the time, owned that he gained nothing by the protective tariff, and

might profit directly by a general reduction of duties, but for all that he intended to vote against the Democratic candidate lest any tinkering with the tariff disturb business conditions, and such disturbance react unfavorably upon his business. I shall not criticise this attitude, and shall charitably assume that were any of us tempted we might yield to like considerations. Plainly, however, the business world needs to be educated up to a higher standard of political morals. A youth recently out of Harvard said not long since that he left college a free trader, and began preaching free trade to all he met, until one business man after another bluntly told him that if he would get on he must drop such notions. He now regards free trade as a utopian dream unworthy the consideration of a practical business man. It is good to know that Harvard still suckles its babes upon the sincere milk of the economic word, but a pity that it so soon sours upon their stomachs.

If the business man, protected or unprotected, when times are what he calls good, is apt to play for safety when the tariff question comes before him at the polls, so too are many others. Business men, voters with good coats on their backs, do not carry elections, and the protective tariff persists largely because the workingman, often even the utterly unprotected workingman, also plays for safety. Insolent and mendacious orators breathe forth threatenings and slaughter in all the mill towns when the sacred tariff is even mildly menaced, and thousands of men with only their week's pay between their families and hunger are driven from a calm consideration of the question at issue. A hint as to how the workingman should vote used to be slipped into the pay envelope shortly before election. More effective and safer is the voice of the protectionist orator, perhaps the friend and guest of the employer, full of insolent untruth, and of dire prophecies intended to reach and terrify the workingman like a personal warning of dismissal from his bench or loom.

Although the Democratic party found courage once shortly before the Civil War to speak of free trade as a hope of the near future, and about a quarter of a century ago in another official utterance, denounced a tariff for protection as unconstitutional, the Democrats have too often accepted as valid, at least by implication, some of the most insolent sophisms put forth by the protectionists. For many years, indeed, a greatly distinguished Democratic

leader was kept in Congress by the suffrage if not directly by the suffrages of the Pennsylvania Republicans, because as a brilliant Democratic advocate of their contention he was far more useful to their cause than a Republican could have been. Not even the process of destructive distillation could bring to light any essential difference upon the tariff question between a Republican of Massachusetts and some of the Democrats that Louisiana has sent to Congress, except indeed as to the articles to be cared for in the schedules. Perhaps the worst blunder that the Democratic party as a whole has made in the treatment of the tariff question has been the acceptance at times of the Republican pretence that the purpose of protection is to make up for the difference in the labor cost of manufactured articles at home and abroad. As you all know, it has been again and again demonstrated as to many articles that the actual labor cost in a given quantity of product is lower here than in Europe, though the weekly wages of the American worker are far higher than those of the Frenchman, German, or Englishman engaged in the same industry. Again the Democrats have lacked the courage to meet this wage-equalization pretence by the absolutely unanswerable reply, that if protected employers do pass on to workingmen any part of the excessive profits resulting from possession of the home market, such excess of profits must come out of consumers, and these are for the most part merely other American workingmen who are forced to pay more than the world's market price for necessities consumed by themselves and their families. Perhaps the most disquieting aspect of the proposal to create a nonpartisan tariff commission, is the seeming implication that the protective tariff is a thing to be tolerated and made permanent, a burden to be agreed upon by such abhorrent compromise between commissioners of various economic opinions as may be arrived at through heaven knows what considerations touching the needs of this or that hoary infant industry which has not been able after fifty years of governmental favor to seize and keep the whole home market. Shall the apologists of such a compromise with legalized wrong close our mouth with the historic phrase, "It is a condition, not a theory, that confronts us"? The only consideration to make the thought of a tariff commission tolerable would be the hope of having upon it at least one uncompromising free trader of high ability and nation-

al repute, who could be trusted to give no quarter to the enemy, to lend no ear to his sophistries, and to contemplate cheerfully the early end of his official tenure with the total abolition of the tariff.

Perhaps you are thinking that much of what you have thus far heard illustrates what I have indicated as the sixth reason why free trade lags, namely, the arrogant and tactless fashion in which free traders sometimes present their cause. My apology for plain speaking however, is first, that since I find "free trader" a term of reproach in Boston, I never lose the opportunity to proclaim my faith in unmistakable words, and second, that here tonight I am in the house of my friends. If any protectionist is among us, I beg his pardon for aught that may seem harsh or uncharitable in what I have said. It is hard to understand how any honest, intelligent, disinterested person can examine the question and remain a protectionist, but since we all know such protectionists, we must accept the fact and try to be polite. We free traders, however, often speak the truth with a frankness more creditable to our sincerity than to our manners. We have not yet learned to strike with a smiling face, and we sometimes use the bludgeon when the rapier were a more effective weapon. It is a dangerous thing to be sure that one is right, and reformers have done much to make reform unpopular. It is hard to answer patiently for the seven times seventieth time the garbled statistics and manifest nonsequiturs of the protectionists, but a politely humorous reply is often better for the cause of truth than the blunt little word of three letters. The gentleman who, through no fault of mine, sits in Congress from my district, declared in a speech not long since that every dollar's worth of goods imported from abroad took a dollar from the pocket of an American workingman. My letter to him upon this point was not, I fear, in accordance with the spirit of forbearance I am just now urging upon you. He replied with garden seeds in franked packages, which may be taken perhaps as the approved congressional equivalent of turning the other cheek. Had I been strictly polite, possibly he would have franked me a lawn-mower. Chesterfield's advice of *suaviter in modo* and *fortiter in re* applies to free traders as to other reformers. When a man feels sure of his partnership with the Almighty, there is grave danger of damage to the temper of the junior partner.

Annual Meeting, 1915

Since no BROADSIDE has been published in the past three years, we are sure our readers will be glad to have a brief report of the Annual Meeting of the League which took place at the Twentieth Century Club, Boston, on the evening of June 14th, 1915. In the unavoidable absence of the president, Mr. Shepard, Mr. William Lloyd Garrison presided. The guest of the evening was Mr. Louis F. Post, Assistant Secretary of Labor, and editor from 1898 to 1913 of THE PUBLIC of Chicago. Mr. Post made a very able and interesting address, but unfortunately it was entirely extemporaneous, and there was no stenographer present. However, Mr. Garrison's introductory remarks are sure to interest our readers and partially compensate for inability to reproduce Mr. Post's.

Introductory Remarks at Annual Dinner, June 14th, 1915.

William L. Garrison, Jr.

The tariff issue is slumbering as quietly as Aetna in its most somnolent moods. The word "tariff" has almost disappeared from our language during the last six months, and has temporarily ceased to be a debatable issue because the Great War has operated to protect home manufacturers against imports beyond their fondest dreams. On the other hand, exports have been stimulated to a point unheard of in the past; so that the so-called trade balance for six months is reported to be about one billion dollars in favor of this country, of which amount five hundred millions is stated to be net gain.

None the less, there issue occasionally from the press the familiar delphic utterance to the effect that the domestic manufacturers are being ruined by the low tariff schedule of the Wilson administration. This merely represents the skirmish line of the Home Market forces, touched with new and palpitating hopes of a Republican success in 1916.

As a matter of fact, no logical deductions can yet be made regarding the real and permanent effect on industry of the Underwood tariff law. When peace is actually restored and trade resumes something of its normal course, it will be time enough to weigh the evidence and attempt to render the verdict.

Turning from the economic side of this matter, let me present briefly the larger social argument. The

world-wide significance of the free trade movement today lies in the fact that the history of the causes of the Great War demonstrates beyond peradventure that freedom of trade is a condition precedent to peace and international co-operation. The logical development of the policy of protection leads to the attempted industrial upbuilding on the part of each nation, at the expense of every other nation. It inevitably generates trade hatreds and jealousies, and insures periodic appeals to the arbitrament of war.

One of my older business friends is a sincere and high-minded man, who is a devoted advocate of peace. At the same time, he is a genuine and convinced believer in the virtues of a high tariff. As he has had occasion to review the evidence in relation to the causes of the European War, he has come to realize that it is largely a trade war, a struggle for the mastery not only of Asiatic markets, but avowedly for the markets of the world. He has come to see that without freedom of trade, such conflicts are inevitable, and that tariff barriers not only menace peace but invite conflict. As a result of his observation and reflection, he recently made the statement that as a "peace" man he had come to the point where he should have to adjust his life-long position on the tariff issue.

This direct relationship to the peace cause is the most important phase of the free trade movement today. If we are to have anything resembling a brotherhood of nations, with international co-operation, the first diplomatic step may be a treaty, but the first practical step must be the breaking down of tariff barriers. This applies not only to Europe, but with almost equal force to this country. For, just as Europe faces the political combination of the interests of special privilege and tax-eating militarism, so we have come to a cross-road where the public clamor for an enlarged army and navy may bring into being a tremendous and all-powerful national lobby, which will combine with the high tariff lobby to write the statute law of the nation, and load upon the backs of the producing masses an increasing burden of debt and governmental extravagance.

Not only is there this positive danger; but there is the negative danger in the development of further injury

and opposition to democratic ideals. A big army and navy means a more highly centralized government and a more highly developed bureaucracy. A period of military excitement must inevitably postpone those great domestic reforms which are essential to the maintenance of free government and to the successful working out of our great democratic experiment.

Under these circumstances, it is the business of the true believer to preach the true doctrine, and we have invited a guest here tonight who understands that doctrine and knows how to preach it. Some men are admired for their abilities, and some are loved for their personal qualities. Our speaker tonight is both admired and beloved from ocean to ocean. His life of service is a constant cause of rejoicing, for what he does is done with wisdom, strength and sympathy. As Editor of The Public, he has long since established his place as one of the wise commentators on modern history; as a servant of the Government, his work is an example of unselfish and enthusiastic endeavor.

With apologies to President Emeritus Eliot of Harvard University, I am going to confer on Louis F. Post an honorary degree of Doctor of Self-Government at this Commencement Dinner of the American Free Trade League, in the following terms:

EDITOR, LEARNED IN THE LAW,
ASSISTANT SECRETARY OF THE
DEPARTMENT OF LABOR,
LUCID THINKER: PENETRATING
PHILOSOPHER,
UNSELFISH CITIZEN
EVANGELIST OF SOCIAL JUSTICE
TEACHER OF CHRISTIAN ETHICS,
OPTIMIST

Let it be remembered that nations do not trade. Neither Germany, France, nor England ever sends goods to this country; nor does this country send goods to them. Individual Germans, however and Frenchmen and Englishmen send goods to Americans; and Americans send goods to them. Each has had a purpose in sending and receiving goods. That purpose is profit. Unless the person sending the goods believed he was better off for the act he would not do it. The same is true of those who receive goods from abroad; unless they believe themselves better off they will not import them. Hence it comes about that the exchange of goods profits both parties to the deal. As no man surren-

(Continued on page 15.)

Letters From Members

It is time for the American Free Trade League to wake up and pray:

"Now I wake me up to work;

I pray the Lord I may not shirk."

Our enemies are perniciously active in promulgating the fallacy that the United States must not be a dumping ground for European goods after the war. If this doctrine is accepted, as it seems likely to be unless counteracted by the League, all that the country has gained during the last two years will be lost. Our industries are producing as never before, and the markets of the world must be kept open to them. The balance of trade in our favor during the last two years has been over three and one-quarter billions of dollars; we have loaned more than a billion dollars more, and before the war is ended, these stupendous figures bid fair to be doubled. Under these circumstances, if cheap goods made in Europe are excluded from this country, what are we to take in payment for our own goods now being produced in quantities far exceeding the demands of our home market?

If we exclude these goods from Europe, they will be sold in other countries and our merchants and manufacturers will have to meet this competition or our production will have to be curtailed. This means that our thriving foreign trade will disappear more rapidly than it has grown up, or that if we exclude the cheap goods from Europe and go after other foreign trade, we will help to raise the cost of living in our own country and at the same time help to lower it in other countries. Could anything be more foolish?

The United States being no longer a debtor but a creditor nation is now not only in a position to profit by free trade, but she is also in the position that if she goes back to the so-called Policy of Protection, she will ruin her foreign trade. The European nations already owe us more money than they can repay without impoverishing themselves. We can continue to do business with them only by taking their goods.

Is it not true then that the American Free Trade League should bestir itself and send its battle cry echoing from Boston to San Francisco?

RALPH W. BARTLETT.

FREE TRADE ROUTES

While I am not optimistic enough to believe that free trade is attainable during our life time, I do believe that the time is ripe for a step in the direction of attaining free trade routes. If this result is attained it will bring us measurably nearer the hoped-for condition of free trade; and because of this relation of the two propositions, I take the liberty of laying the subject before you.

Most of the wars of modern time have grown out of trade rivalries. Each nation asks the right to trade freely in all markets, but the most of them insist that while having this right they also have the right to exclude all others from the privilege of trading freely with them; and each claims the right to control particular advantageous trade routes. Great Britain with its guns on Gibraltar, controls the entrance to the Mediterranean; by the control it has exercised over Turkey it has to a great degree controlled the Dardanelles; and by its ownership of shares in the Suez canal it and France control the important water way. By forcibly annexing Schleswig-Holstein Germany made it possible for her to construct the Kaiser Wilhelm Canal and make it a private route for her advantage. We have dug the Panama Canal and hold it as our special property and have made it impossible for any other nation to duplicate it. All of these great trade routes are fortified so that they may at any time be closed against the commerce of the world at the option of the nation owning or controlling them. And like the rest, we are feverishly adding to the fortifications of our own canal and trying to purchase additional territory on which to build more forts.

But between friendly nations such preparations for war are as unnecessary as we have proved them to be on our northern border and for our canals at the Sault. And there is no greater reason for fortifying the Panama Canal than the Sault canals. In my opinion, the most effective step which could be taken at this time for the promotion of a world peace would be the proposal by our government to make the Panama canal an unfortified free waterway under the control and administration

of an international tribunal or commission. And we could well afford to make this contribution to the cause of future peace if this result would be made less difficult through our making the contribution.

In my opinion the most difficult detail to be settled after the end of the present war has come is the disposition to be made of the Kaiser Wilhelm Canal. While it remains in German control a long continued peace is not to be thought of, and no material reduction of armaments can safely be made. Against its loss Germany will fight to the last unless some mutually satisfactory arrangement can be made for internationalizing it in common with other water ways of a similar class. I believe the first step toward such an arrangement would be taken if we would offer to put the Panama canal into the same class and under the control of the same commission which would administer the Kaiser Wilhelm canal. Perhaps this would be followed by bringing the Suez canal, the Dardanelles, and the Straits of Gibraltar into the same system. And if this, or the most of this plan could be carried out, these water ways should not only be open for the use of all on the same terms but they should all be free.

And there are special reasons why it would be to our advantage to make this offer without delay. Already steps are being taken for the waging of the most intense and most gigantic trade war which the world has ever known. In this struggle we would find practically all of the world against us, since the struggle would be by the nations of Europe to regain the trade they have lost while the present war has been waging,—against us as the nation which has come into possession of that lost trade. And our fight would be to retain it. When peace is being arranged by the nations now at war the question of trade will be also taken up. In the councils of these nations we cannot expect to take a part unless because of our having by some generous act shown our willingness to contribute toward the cost of securing future peace. I believe the offer of the Panama Canal as such a contribution would secure for us an invitation to take a part in the negotiations and to be consulted as to the terms.

Wilber L. Stonex.

MR. HUGHES' HERESY

Mr. Hughes is quoted as having said late in his campaign tour through Maine, "As I see these flourishing cities in Maine, it passes comprehension that anybody in this state could tolerate such an idea as to permit the products of foreign, low-priced labor to compete with our goods."

Some days before he uttered these words he said, it is reported: "When you look upon Europe we (sic) find millions of men in the trenches consuming wealth. Do you suppose you can withdraw from the length and breadth of Europe millions of men from productive enterprise, and not feel the advantages of it in this country?"

As a correlative to this second utterance, he said in the same speech where he put forth the first piece of economic wisdom: "The Republican party does not depend upon a foreign war to save this country from disaster."

Now the first quoted utterance of Mr. Hughes is exactly the sort of thing that a Republican candidate for the presidency must always say, because his party is committed to the idea that our industries are too inept to meet fair and free foreign competition, and to the further idea that their ineptitude entitles them to the privilege of taxing all the inhabitants of this country through the machinery of a protective tariff. It is useless to point out to a Republican candidate for the presidency the absurdity of the protective system, its cruel injustice, its utter inefficiency as a promoter of real industrial and commercial prosperity. His party is definitely committed to the hoary heresy of protection, and he must believe in it or pretend to believe in it unless he is willing to get off the ticket in mid canvass.

Mr. Hughes' second utterance, however, though a natural enough corollary of the protective theory, is so nakedly ridiculous that even his political enemies must in very shame take it for granted that a man whose seat upon the Supreme Bench is barely cold and who asks his fellow Americans to make him President of the United States, has been betrayed into such an utterance by the exuberance of the campaign orator.

If we reap "advantages" from the presence of millions of Europeans murdering one another in the trenches, we shall be richer every month that the war continues. Furthermore, we should be richer after

the war if a vast epidemic should disable millions of Europeans so that they could not return to industry, and we could be sure that our mills and fields and mines should be drawn upon to supply European needs, while European goods could not be created to compete with ours either in Europe or at home. If Mr. Hughes' repeatedly uttered unwisdom is really economic truth, we shall prosper the more if not only Europe, but Asia, Africa, South America and the Isles of the sea shall be disabled just sufficiently to prevent their inhabitants from producing aught to compete with us, while we shall be permitted to supply their needs. Can a boy of twelve hear this theory propounded without recognizing it for drivel? Mr. Hughes must by this time recognize it as such, and wish he had never said any such thing, but to unsay it would logically lead him in the end to recant his belief in the protective tariff.

Perhaps Mr. Hughes and those who agree with him will say: "But everybody is busy, and at higher wages than have been paid in years." True, but this condition is far from wholly owing to the withdrawal of Europeans from productive industry at home. The present large demand for labor in this country is only in part directly or indirectly connected with the presence of Europeans in the trenches rather than in the factories. These idle men, as already noted, are demanding food and, more especially, munitions of war, from us, but more important still, as influencing the American labor market, is the check to immigration, and the stimulation to emigration. After that, conditions at home altogether unconnected with the war have created a demand for labor, among these the favorable effects of a reduced tariff on many things needed in our industries, and the larger ability of Americans to buy because a reduced tariff has cheapened some articles of consumption. Nobody can easily say just how large a part the several changed conditions of recent months have played in our prosperity of the moment, but the war has certainly taken more than it has given and we have yet a fearful reckoning to pay for these years of waste. We are lucky to suffer less than the warring nations, but we cannot escape sharing their loss. Their ruin can no more enrich us than we should be enriched by some vast disaster that should lay waste the cities of Canada and suddenly call upon us to help rebuild them. Such a disaster would create employment for our labor, but

it would be our disaster as well as Canada's.

According to the implication of the third utterance quoted from Mr. Hughes, the Democratic party, unlike the Republican party, has a policy that necessitates a world-war to save the country from disaster. But the world war has not saved us from disaster. Our prosperity of today is not because of, but in spite of, the world-war. A few of us are getting rich by reason of the world-war, but most of us are the poorer from the struggle. We are feeling its effects in higher prices of everything we consume. You cannot set something like a third of the human race to destructive rather than productive industry without impoverishing in greater or less degree the other two-thirds. We are taking food from the mouths, and clothes from the backs of our own people to feed and clothe warring men in Europe. We are giving millions in actual charity to hapless non-combatants within the war-zone. We are occupying thousands of our own people in destructive industries to minister to the needs of the warriors. We are sending abroad our cotton by the million bales to be made into explosives, and our own people are paying more for cotton goods than they have been accustomed to pay. Things that we need from Germany we cannot have because the war has brought a halt to German commerce. Things that we need and used to get from England, France and Italy, these countries are producing in insufficient quantities to supply our demands and their own, and we are poorer in consequence. Our foreign trade, so far as Europe is concerned, has been brought to an utterly unnatural condition. Europe instead of paying for our exports in goods that we need, is giving us gold and promises to pay, with the result that we are from month to month by reason of rising prices a worse and worse market to buy in, worse, too, not only for the foreign buyer, but for our own people. Our present killing high prices, wrought by the unnatural conditions consequent upon the great war, give us a taste of what protection brought to perfection would inflict upon us, for protection is war, and in its perfection it would place us on a war footing with the rest of the world by excluding as many as possible of their products from our markets. Does Mr. Hughes really believe that we should be happier or more prosperous from such a condition as we have today, made permanent? E. N. Vallandigham.

Some years ago Mr. Edward Atkinson published a very interesting pamphlet, showing that only one worker in every eight in this country worked at an industry that is protected in any way. I often think that if this were more widely known it would help the cause of free trade here, by taking away the favorite excuse for protection,—namely, that it is the cause of the high wages the workers get.

* * * * *

The amount of customs revenue collected at United States ports has for a great many years averaged about \$3 per annum for each person in the country. The population is at present about 100,000,000 persons, or the equivalent of 20,000,000 families of five persons each.

It is approximately correct to estimate annual customs duties at a present total of \$300,000,000.

The amount of goods imported I estimate at one-tenth or one-twelfth of the amount of goods consumed by the people. The domestic goods, I estimate, are sold at very little reduction from the prices of imported goods. It is fair, therefore, to multiply the customs duties by ten in estimating the cost to the nation of a high tariff. The \$3,000,000 collected at the ports therefore costs the consumers \$3,000,000,000, or \$150 per annum for each family of five persons.

Philanthropists estimated a few years ago that the working men were receiving about \$100 apiece per annum less than it was desirable they should have. The above calculation shows that the abolition of customs duties would make the working man better off than an increase of wages of \$100 a year.

I would suggest that when you have the time you would find it interesting to look at the census reports of occupations for 1910. In that year the number of people employed in agriculture was 12,659,203, and the number employed in all the textile industries was 737,406. The number employed in mines was less than a million, and so was the number employed in metal factories. Mr. Carnegie says the metal factories do not require protection, and never did.

The people who appear to be most active in demanding a high tariff are the textile manufacturers, who employ so few people.

It is not just that 13,000,000 agriculturists should be taxed, to enable a few hundreds of mill owners to make a considerable amount of money for themselves. Germantown.

PROTECTIVE TARIFFS AND BLIZZARDS

By William Lloyd Garrison.

A cyclone or blizzard has many of the attributes of a protective tariff. It is a barrier to the free interchange of commodities. It produces scarcity and enhances prices. It profits a few at the expense of the many. It is a benefit to the dealer in milk or coal or meat or other necessities of daily use, provided he is caught with a good stock on hand. The cab company does not grieve over the troubles of the street railway company. It has all it can do to gather in the harvest which enforced custom has so suddenly created. No, not created. Taxes and storms are not creators but destroyers. Let me amend my sentence by saying, to gather in the harvest that the street railway was prevented by accident from gathering itself.

This recent snow-storm tariff raised the wages in some employments. The snow shovelers on one railroad found it easy to exact two dollars an hour for their services, where they ordinarily got twelve and a half cents. The New York hackmen were able to make their patrons pay from ten to fifty dollars for a single service. The livery-stable men appreciated the benefit of protection, which, alas, the poor horses did not, any more than the customers. The linemen on the telegraph routes were much in request, and employment overtook even the tramps who ordinarily flee from it.

Looked at from the point of view of these prospering people, the storm embargo was a benefit. The hotel keepers of New York who found customers for their rooms at fifty dollars a night, all had a good word to say of the blizzard. Sidney Smith knew of a man who would speak disrespectfully of the equator, although, if that imaginary line had conferred a pecuniary benefit upon him, his language would have been deferential.

Supposing if, instead of a few days' isolation, a much longer period of non-intercourse with adjoining towns and cities should occur. What more natural thing than the conviction, of the parties who find it gainful, that, after all, a blizzard is a blessing? And if the weather could be controlled by the votes of a community, who doubts that we should have plausible arguments to prove that storms benefit trade? The landlord of the Fifth Avenue hotel might borrow the argument of the treasurer of some big

woolen mill, and say, "If I do get large prices for my rooms, see how many more servants I can employ, how much more food I can buy of the marketmen, thereby helping them, and how many more dollars my employees will have to spend, thus increasing the general trade of the community. Don't you see? What benefits me must benefit all." And the other favored industries would echo the theory, and by and by public sentiment might worship a storm for the sake of a storm, just as we hear people crying for protection, for the sake of protection.

Fortunately, we cannot run the weather by ballots or lobbies, and in a few days the railroads and the ferry-boats, and the telegraph wires, are all working again, and humanity rejoices that the embargo is broken, and that free trade once more pours in its bounty to the great city, bringing the milk to pining babies, the coal to freezing families, the meat and vegetables to hungry mouths,—even though the landlords, the hack drivers, and the snow shovelers lose their monopoly. A tariff is a railroad interruption, a suspension of shipping, a derangement of the natural laws of supply and demand, which, left to themselves, bring constantly and unerringly the needed commodities and avoid the gluts and overstocks which result from artificial attempts at regulation.

Unhampered communication between nations brings the same blessings that come from the interdependence and free exchange of neighboring communities,—because economic laws are universal and, while governments and peoples vary, are themselves as fixed and immutable as the laws that govern the movement of the heavenly bodies. The kinship and neighborliness of England was shown by the kind service she rendered us that week. Boston had no communication with New York, but London kindly steps in and facilitates the message between the two cities which otherwise would have been impossible. That is a case where brother man is appreciated, and his brotherhood is just as helpful whether he lives in England or New York. In fact it was his very distance this time that proved his nearness.

March, 1888.

The clove it is a startling thing,
Exciting, any way;

It don't exactly scare you,

But it takes your breath away.

—Puck.

THE NEW PATRIOTISM

Alex. Mackendrick

[Mr. Mackendrick was for years the distinguished President of the Scottish League for the Taxation of Land Values, and for the past two years he has rendered great service as Secretary of the Massachusetts Single Tax League. The editor is proud to be able to present to our readers an article from such a contributor.]

In the tragic days that are passing over our heads, it seems as though a great recasting of ideals and re-arrangement of sentiments must be effected if we are rightly to adjust ourselves to changing conditions. It is invariably thus after periods of stress and strain whether in the life of an individual or of a nation. A new scale of values has to be set up. Things formerly of no account assume a place of importance, while those that had hitherto ranked among the things that matter, are relegated to a lower plane. The sentiment commonly called patriotism has hitherto been regarded as a virtue, but it may be that in the light of recent experiences and so long as there cling to it the meanings and implications with which it has been associated, it must in the future be classed in the category of vices. For what but patriotism in the commonly accepted sense is responsible for the hideous condition of the continent of Europe at present? Who will deny that the feelings and sentiments represented by the slogans, "Rule Britannia," "Deutschland uber Alles," "Vive La France," are the real forces that have impelled the nations to mutual slaughter? The patriotism that finds expression in such national mottoes must surely be destined to find its ultimate and proper place among the vulgarities and immoralities in our future scale of human values.

But just as it has frequently happened that when a daring and enthusiastic explorer in the field of metaphysics, has started out to hunt up a religious or philosophical heresy, he has returned to the orthodoxy from which he set off, in a chastened spirit and with a new vision born of a larger experience; so it may be that, after rejecting the world-old sentiment of patriotism as an impediment to man's upward progress, we may return to it in a new mood, recognizing its power to uplift and its harmony with the broadest charity and the most universal humanism.

The love, for example of one spot of mother earth in preference to any

other, because of its early associations and regardless of its artistic charms or the lack of them; such patriotism is entirely compatible with the complete absence of the sentiment that is represented by the mottoes emblazoned on our flags and banners; indeed, it may be the stronger in proportion as sympathy for similar sentiments on the part of others, is dominant. The healthy instinct, again, that impels men to emulation in science, art, philosophy, or social organization, may be stimulated by sentiments of nationality, just as the different colors worn by students of colleges may be utilized to quicken a friendly competition. The patriotism that desires the coun- one was born in to excel in all try one was born in to excel in all those things that are honorable and useful to the race, may be almost unrecognizable as the same spirit we have hitherto known by that name, but it is its legitimate successor; it is indeed the same old sentiment purged of its dress and re-adapted to a higher stage in the life of the race. It is entirely in harmony with nature's method that when she wishes to develop a new power or function, she takes an old one and transmutes or transfers it to the new purpose.

But there is one form of patriotism that is less subject to that perversion to ignoble ends that has overtaken national patriotism in the past, —civic or local patriotism, love of the city or municipality of our birth. It would indeed be difficult to compute the degree to which emulation between neighboring villages and towns has furthered the cause of civilization. For does not every citizen feel a personal sense of shame if it can be affirmed that his native city is less sober in its habits or less attractive to visitors than a neighboring one? and is it not all in the direction of a normal healthy growth, that each city should wish to be continually playing a larger part in the progress of the state or country to which it belongs?

If Boston has rightly been described as a state of mind rather than a place, is it not just this consciousness of having played an important part in the movement of human life toward higher levels, that constitutes this state of mind? That great Bostonian, Dr. Oliver Wendell Holmes, puts into the mouth of one of his characters the following words, "Boston is full of crooked little streets; but I tell you Boston has opened and kept open more turnpikes that lead straight to

free speech, free thought, and free deeds, than any other city of live men or dead men,—I don't care how broad their streets are or how high their steeples." It is probably the conviction of the justice of that claim that is the secret of that local patriotism that is part of every true Bostonian. Who among us can ever forget that "the shot that was heard round the world" was fired by near neighbors of Bostonians? What would a history of the War of Independence be worth that omitted all reference to Boston and its town meetings? Yet the part played in the struggle for political independence is the least part of the contribution that Boston has made in the fight for freedom. For there is a thralldom of the mind that is more antagonistic to national growth than even the most archaic of political institutions. The dead hand of traditions when it affects the thoughts of men, is more soul-destroying than governmental tyranny, compelling as it does, the living generation to see life only with the eyes of its ancestors. It is only necessary to remember Emerson, Longfellow, Whittier, Thoreau, and a few others including Dr. Holmes himself, to realize the vast difference between the thought-environment in which we now live and that from which these great thinkers have delivered us. If it is due to the astronomers and physicists that we now live in a roomier universe than our forefathers dreamed of; if we have to thank our marine architects and engineers that the remotest parts of the earth are now accessible, it is to seers and prophets such as these whom Boston may call her own children that we are indebted for release from the paralyzing dogmatism that held our ancestors so firmly in its grip. Inexpressibly valuable is this freedom to think our own thoughts, to face up to the mystery of life with unclamped minds, to ask of ourselves these questions which in the end only ourselves can answer; and it is just this intellectual emancipation that has been secured for us by these pathfinders of the spirit whose sweet reasonableness was never more beautifully expressed than in the words used by one of them in reference to the greatest among them, that "he lifted the ancient idols down from their pedestals with an affectionate tenderness that made it look like an act of devotion." And as a thought is never entirely our own until we have shared it with another and gained the profit that accrues to all voluntary exchange, whether of

ideas or services, freedom in thinking and liberty of utterance, necessarily go together. For freedom of speech the citizens of Boston have been the most conspicuous champions. To those who have grown up in the environment created by the pioneers of free speech it may not be so evident as to men whose lives have been spent in the closer atmosphere of the older European countries, but to the latter the difference is obvious. It can be felt like oxygen in the air; it quickens the intellectual respiration; it opens the mind for the reception and assimilation of truth and stimulates the processes of spiritual growth.

But freedom of thought and freedom of speech do not constitute the whole of the glorious feast of liberty. There must be liberty of action, freedom to do, the undisputed right to earn livings and to exchange the products of labor with the laborers of the world, before we can call ourselves a free nation. We are still far from having attained to this stage in the emancipation from slavery, but again the patriotic Bostonian may lay claim to having brought forth among her children some of the most valiant champions of freedom in action. We recall the names of Garrison, Phillips, Channing, and a noble army of distinguished men whose lives have been devoted to the cause of liberty to do. And much has already been achieved in this direction. No son of Adam is now permitted to call another man his property, to bid him come or go, fetch, or carry. The right to freedom from external control except in defence of public peace, has been finally asserted and this right can never again be lost. The outer earthworks of the citadel of privilege have been thrown down and cannot be rebuilt so long as men are willing to pay the price of liberty which lies in eternal vigilance. Yet the inner fortress of the enemy of liberty still remains to be captured. We have not yet achieved the basic freedom, the liberty that gives its final value to all other liberties, the liberty to earn livings wherever opportunity may offer and to exchange the products of labor with other workers of whatever latitude or longitude. With free thought, free speech, and freedom of life and limb, we have got the forms of freedom but not the reality. Until absolute freedom is achieved at the point where subsistence is earned, where the human spirit with its covering of flesh comes into contact with Mother nature and seeks the nourish-

ment she so freely offers, liberty in its last analysis is not ours. And no unfettered thinker now doubts that the denial of the liberty to exchange labor-products with the workers of other countries is the prime cause of racial jealousies and misunderstandings, and that until this cause of discord is removed we can never hope to establish relations abroad that can be described otherwise than as "an armed neutrality or a hollow commercial league."

The new patriotism, the love of country, which will mean the desire to be first in the things that are honest and pure and lovely and of good report, can only come when tariff walls are thrown down, and when the ghastly superstition is destroyed which asserts that a necessary antagonism exists between the prosperity of one nation and that of others. Then, and only then may we hope for

The advent of that morn divine
When nations will like forests grow,
Wherein the oak hates not the pine,
Nor beeches wish the cedars woe;
But each in their unlikeness blend
Confederate to one golden end
FREEDOM.

TWO TARIFF CHARGES.

Advocates of the protective tariff system in Canada are very fond of quoting the example of the United States as a protected country which has made great material progress. They then draw the conclusion that protection will do the same thing for Canada. They forget in presenting such an argument that, although the United States has a protective tariff it is, nevertheless, the greatest free trade country on earth. When the Fathers of the Union drafted the articles of Union over a hundred years ago they very wisely decided that there should be no customs tariff barriers between any of the states in the union, thus making that great nation absolutely free trade from the Atlantic to the Pacific. Having practically every variety of climate and, consequently of products, the American Union is very largely a self-supporting nation and its chief business is trade between the people in the different parts of the Union. It is true that Canada has no tariff barriers between its provinces. But we have not the variety of climate and products of the United States. Exchange of products which is abso-

lutely necessary, is very greatly handicapped by the artificial customs barriers that have been erected at the international boundary. It should be remembered also that the international boundary between Canada and the United States is purely a matter of accident and is in no way a natural boundary. No greater absurdity could be conceived than the placing of barriers against the natural exchange of products between peoples living on this continent.

Another very important point that is overlooked is the fact, that the protective system in Canada is by no means parallel to the protective system in the United States. The protective tariff which surrounds the United States enhances the price of goods to a certain extent in that country, but the Canadian tariff, in-so-far as it affects goods manufactured in United States and shipped into this country, is in addition to and on top of the American protective system. Thus in the case of machinery, of which a large quantity of American manufacture is shipped into Canada, wherever the American duty has been used by the manufacturer to enhance his price and the article is shipped into Canada, the Canadian duty is added to this already one-time tariff-enhanced price. In this way it must be clear to even a casual observer that if United States is a protected country and uses the protective tariff for the purpose of enhancing prices, the result of the protective system in Canada must be to charge the consumer two protected costs. Protection in Canada is crippling very seriously the natural and logical development of this country and it must be abolished before we can build up a prosperous and contented population.—Grain Growers' Guide.

It seems to the editor that now while all things human seem in process of change, and so much in the direction of free trade has been done by the present administration we have a most opportune time to work for the extension of freedom of commercial intercourse and the further emancipation of the race from fallacious notions. Let us make the most of it.

"He (American)—My grandfather fell at Bunker Hill.

"She (English)—Oh, what a pretty name for a golf-links! but how did he happen to fall?"

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3. The Panics of 1837 and 1857. 1896. Hon. John E. Russell.
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(Continued from page 9.)

ders goods of his own free will without receiving an equivalent, so no goods can pass from one country to another without the return of an equivalent; and as the exchange profits both parties to the trade, it necessarily profits both countries in which the traders live.—*The Public.*

We must not forget that for a generation Germany had been at war with the world in her prohibitory tar-

iff,—an enemy long before she became a fighter with arms!

Erving Winslow.

What is difficulty? Only a word indicating the degree of strength requisite for accomplishing particular objects; a mere notice of necessity for exertion, a bugbear to children and fools; a mere stimulus to men.—Samuel Warren.

'What is done wisely, is done well.
—Shelley.

Editorials

In resuming publication of the BROADSIDE, the new editor greets old and new members, and wishes to thank those who have so faithfully continued paying membership dues even when they seemed to be getting nothing in return. Devotion to an ideal is always admirable, and when it is continued in the face of discouragement and apparent absence of results, it becomes one of the highest manifestations of man's divine nature.

We want to make the BROADSIDE both as good and as powerful as possible. In order to do this, co-operation is necessary. Some members have co-operated in getting out this issue by writing letters on phases of our campaign that interested them, and we have tried to show our appreciation by printing their letters. With so many intelligent members, it should be possible to publish many more such letters. Therefore, now that all members know that letters are wanted, we hope to have more in our next issue.

It must be obvious that a publication that circulates only among those who already believe in the ideas it advocates, falls far short in effectiveness on public opinion. Therefore, in order to make the BROADSIDE an effective influence on the thought of the voters of the country, it should go to every newspaper that is at all open to our ideas. This involves expense, and as annual subscription covers only the expense of printing the subscribers' copies contributions are needed to extend the circulation among the press. Some members have already recognized this and sent contributions. We hope more will follow their example.

One thing more is needed to make the BROADSIDE a success: criticism. Yes, we mean fault-finding: show us our faults clearly and fearlessly. But criticism is not all, censure. Show us, too, how to do better, and point out what you like. And be sure it will all be appreciated. As the people who send us bills, write,—"Thanking you in advance—"

Very few members realize what a great debt the League owes to its Assistant Secretary, Miss Anna K. Rogers. For more than twenty years she has quietly and unobtrusively done a large part of the Secretary's and Treasurer's work,—mostly without pay, and entirely without publicity. During changes of administration and trying times she has

faithfully and loyally done the work, and, at least once, she has saved the League from extinction. When nearly all others were discouraged and ready to give up, she kept faithfully on and it is due to her, more than to any other person, that the League is still in existence. She has refused the slight monetary consideration voted her at the last annual meeting, so the least we can do is to offer the gratitude of recognition.

For the fiscal year ending June 30, 1916, the "ordinary" receipts of the Federal Government exceeded the "ordinary" expenditures by about \$59,000,000, thus proving how utterly false were the predictions that the Underwood Tariff Bill,—which for the first time in over twenty years reduced the tariff,—would fail to provide sufficient revenue. Moreover, the present Congress has followed up its good work by still further increasing the amount and extent of direct taxes, thus making unnecessary the imposition of indirect customs taxes. The increase in income taxes, the imposition of inheritance taxes and various "war" taxes would make it possible to raise all money needed for necessary expenses of the government for the current year, without any tariff taxes whatever. Only the extraordinary expenses involved in the enormous "preparedness" appropriations require the revenue provided by the present taxes on imports. This fact should lead all Free Traders to take an interest in the campaign against militarism. That our government should be so nearly in a condition where no indirect taxes are necessary, is one that should encourage all Free Traders immensely, for one of the protectionist arguments which it has been impossible hitherto to answer conclusively, is the one that tariffs were absolutely necessary to pay the government's expenses.

This is not to say that income and inheritance taxes are just and right. So long as individuals who own land are allowed to appropriate the income from values therein which were not created by those individuals but by the community, it is neither just nor necessary to take for government uses any part of incomes that are earned by services rendered,—to say nothing of laying taxes on the clothes and food of the masses through protective tariffs.

Apropos of the hysteria now sweep-

ing over many editorial pages at the prospect of foreign nations "dumping" their goods upon us as soon as the war is over, there is an old story of a French king who reigned before gas and electric lights were used.

It appears that the dealers in whale oil presented a petition to the king in behalf of their "infant industry," complaining against the unfair competition of the sun, who was "dumping" his goods upon the people of France. The petition asked that his majesty make a law that all windows and skylights in the kingdom be walled up, thus "protecting" home manufactures. The resulting need for candles and oil would increase the demand for tallow and whale-oil and lamps, thus stimulating the brass, copper, whaling and hog-raising industries. The greater needs for ships would result in the employment of men as sailors and in all branches of the ship-building trade. Thus, widespread prosperity would ensue. Does not this typical protectionist argument resemble Dr. Johnson's definition of a network? In his English Dictionary we find:

"network. A thing reticulated or decussated, with interstices between the intersections."

That was a significant word of President Wilson's, when he said toward the end of his Acceptance Speech:

"We believe that the energy and initiative of our people have been too narrowly coached and superintended; that they should be set free, as we have set them free, to disperse themselves throughout the nation; that they should not be concentrated in the hands of a few parochial guides and guardians, as our opponents have again and again, in effect if not in purpose, sought to concentrate them. We believe, moreover—who that looks about him now with comprehending eye can fail to believe?—that the day of little Americanism, with its narrow horizons, when methods of 'protection' and industrial nursing were the chief study of our provincial statesmen, is past and gone and that a day of enterprise has at last dawned for the United States, whose field is the wide world."

One of the greatest evils of "protection" is that by coddling industries it weakens them and prevents them from growing as they should. The freer commercial intercourse becomes, the stronger are the businesses that compete in, it bound to grow.

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William Lloyd Garrison

Edited by
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Great men are those who see that
spiritual is stronger than any mate-
rial force; that thoughts rule the
world.—Emerson.

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THE ALLIES' ECONOMIC CONFERENCE.



Drawn for The Independent by W. O. Morris
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THE BEST LAID PLANS—

Whom Does Protection Protect?

By George Brickett

At the annual meeting of the Home Market Club, November 15, the club, through a resolution, urged the President and Congress "to revise the tariff in behalf of the national welfare, the security of our industries, and the employment of wage earners."

To illustrate this demand of the Home Market Club: The tariff of 1897 imposed a duty of 65 cents per dozen pairs on women's and children's cotton stockings valued at one dollar, or less, per dozen pairs. When this tariff was revised in 1909, it was shown that the duty of 65 cents did not fully protect the hosiery industry, and a duty of 85 cents was imposed. In 1907 the average duty on woollens collected by the government was \$89.42 on goods valued at \$100, and the president of the National Association of Wool Manufacturers told the Committee of Ways and Means that "a reduction of the tariff would reduce wages and profits." The duties on woollens were not reduced by the tariff of 1909.

These are two samples of what protectionists have done and what is now advised by the Home Market Club.

"Our industries will be destroyed, if we do not have a tariff to prevent the dumping of foreign goods after the close of the European war." This is a popular cry of protectionists, and it may be well to give a partial list of industries whose work cannot be dumped on us, as it must be done here. The number employed in these industries is taken from the census report of 1910.

Actors	69,730
Architects	63,098
Artists	34,104
Clergymen	133,988
Dentists	39,997
Electricians	204,875
Journalists	34,382
Lawyers	122,149
Musicians	139,310
Government officials	134,370
Literary persons	39,617
Physicians	157,966
Teachers	619,285
Barbers	190,010
Boarding-house keepers	165,452
Hotel keepers	64,504
Janitors	113,081
Laborers	1,317,406
Launderers	663,384
Nurses	215,370
Restaurant keepers	60,832
Saloon keepers	84,976

Bartenders	101,234
Servants	1,867,448
Housekeepers	189,273
U. S. soldiers	77,153
Watchmen	102,125
Agents	378,296
Bankers	71,191
Boatmen	77,715
Bookkeepers	482,814
Clerks	1,183,801
Stenographers	316,693
Commercial travelers	163,620
Teamsters	736,085
Overseers	104,053
Hostlers	63,462
Peddlers	80,415
Livery stable keepers	34,795
Merchants	1,004,153
Bank officials	143,602
Packers	95,767
Porters	135,272
Salesmen	875,180
Steam railroad employes ...	1,084,544
Street railroad employes ..	153,697
Tel. and Tel. operators	206,226
Undertakers	20,734
Auctioneers	3,990
Newspaper carriers	29,708
Weighers	12,587
Carpenters	830,322
Masons	204,174
Painters	366,897
Plasterers	50,533
Plumbers	167,849
Roofers	15,111
Mechanics	26,208
Oil well employes	48,482
Chemical employes	66,434
Miners	905,869
Bakers	97,650
Butter makers	16,676
Confectioners	29,027
Millers	34,140
Food preparers	247,362
Blacksmiths	247,389
Machinists	460,784
Boot and shoe makers	264,527
Bottlers	17,603
Saw mill operators	398,333
Printers	206,356
Dressmakers	345,164
Milliners	133,921
Seamstresses	184,092
Tailors	312,793
Engineers not locomotive ...	347,213
Photographers	31,775
Messengers and office boys ..	139,310
Agriculture	12,567,925

33,205,365

Here is a list of industries employing 33,205,365 wage earners whose work cannot be imported. The Home Market Club does not urge Congress

to impose a duty on "shaves" so that barbers may be employed. It does not urge Congress to impose a duty on "leaks in water pipes" so that plumbers may be employed. It does not urge a duty on "house cleaning" so that servants may be employed, etc. The Home Market Club may say that the work of shoemakers and farmers can be imported, but in response it may be said that in 1913—before the war—we were dumping shoes and agricultural products on foreign countries. In 1913 we dumped agricultural products valued at \$1,123,651,985 on foreign countries, and it was paid for chiefly by the pauper paid laborers. The foreign pauper paid wage earners in 1913 virtually gave employment to 1,500,000 of our farm laborers, while the number of hosiery mill and woolen mill operatives in 1910 was 198,486.

Every man, woman and child in the United States is a consumer of stockings and woollens, and, when they buy them, they pay for the raw material, the labor in manufacturing, transportation, profits of manufacture, wholesaler, and retailer, and an increase in price of 75 per cent, caused by the tariff that protects our manufacturers in the "sale" of their production. The Home Market Club urges Congress to enact a tariff law that shall prevent farmers, servants, salesgirls, nurses, day laborers, etc., from buying 12 pairs of stockings for \$1.75 and forces them to pay \$3 for them, the difference—\$1.25 to be given to our hosiery manufacturers, thereby "protecting an industry." If a servant should take \$1.25 of her wages and hand it directly to the hosiery manufacturer, he would say, "Thank you," but when he receives it through the work of a tariff, he does not say "Thank you," but acts as if he were benefiting the servant who should thank him for her ability to earn \$1.25.

We have industries that cannot earn their living, and the Home Market Club asks Congress to help them by a law that shall force consumers to buy their productions at a price higher than their value. We have other industries that are not only self-supporting, but they are also so prosperous that the Home Market Club does not hesitate to ask a law forcing them, whenever they buy protected goods, to give a portion of their earn-

ings to the industries that require protection.

We have inmates in almshouses. These are not "able bodied" and can not earn a living. They are supported by taxing wealth. "Industries" that cannot earn a living are not able-bodied, but they have been supported by taxing consumers of stockings, woollens, etc. It is humane and nearly just to tax wealth to support pauper individuals in almshouses, and it is injustice to support pauper "industries" by a protective tariff.

During the year ending June 30, 1913, the United States exported merchandise valued at \$2,428,506,358, of which the following is a partial list copied from "Statistical Abstract of the United States":

Agricultural implements	\$ 40,572,352
Animals	7,080,122
Breadstuffs	211,098,339
Cars, carriages	54,585,888
Chemicals	26,574,519
Coal	65,097,221
Coke	3,318,437
Confectionery	1,282,196
Copper and manufactures	143,123,703

Cotton	547,357,195
Cotton manufactures	53,743,977
Earthen stoneware	4,967,019
Eggs	4,391,653
Electrical machinery	26,772,816
Explosives	5,277,566
Fertilizers	11,400,088
Fiber and vegetable manufactures	10,963,946
Fish	9,711,932
Fruits	37,079,102
Furs	18,389,586
Glass ware	4,193,642
Glucose and grape sugar	4,652,396
Jewelry	1,467,942
Grease	7,183,357
Hides	3,449,924
Hops	4,764,713
Rubber manufactures	12,511,548
Iron & steel manufactures	304,605,797
Lamps	3,170,233
Leather	42,384,199
Leather manufactures	21,509,152
Meat and dairy products	153,883,526
Musical instruments	3,799,731
Nickel and manufactures	9,275,714
Oil cake and meal	29,444,252
Animal oil	1,585,609
Mineral oil	7,570,767
Mineral oil refined	129,666,995

Vegetable oil	24,044,401
Paints, varnishes	7,681,938
Paper and manufactures	21,779,303
Paraffin and wax	9,679,273
Perfumery	1,441,982
Phonograph, graphophone	2,805,978
Photographic goods	9,137,287
Seeds	3,564,837
Soap	4,629,567
Malt liquors	1,371,463
Distilled liquors	2,218,159
Starch	2,609,716
Sugar, molasses, syrup	3,874,923
Tin manufactures	1,453,790
Tobacco	49,353,595
Tobacco manufactures	5,814,978
Vegetables	7,353,537
Wool and manufactures	115,704,777
Woollens	4,483,506

\$2,306,900,164

Will the Home Market Club designate the goods mentioned in the above list that they fear may be dumped on us if Congress does not enact a law to prevent it? Foreign pauper labor was normal in 1913 and we did the dumping to the amount of more than twenty-four hundred million dollars.

(Reprinted by special permission from EVERYBODY'S MAGAZINE)

Jimmy's Infant Industry

By Charles Johnson Post

"Wuthless—o' course he's wuthless if he won't work! Now, Ma, there's no use in talking—I don't intend to be the fool father of a rich man's son—at least not any more." With a dexterous movement the old man flapped his morning paper open and with one blow of his palm smote it flat with the financial page uppermost. "More coffee," he ordered over his shoulder curtly.

A butler, silent, scornful, automatic, moved through noiseless grooves; and from the other end of the breakfast-table Ma kept on, heedless of the old man's dictum of finality.

"Why, Pa, I don't see how you can act so—you've got money enough for all of us. Let the boy enjoy himself."

The old man grunted from out of his coffee cup, with his eyes still glued to the market reports before him. "Let him learn to make money like I did, so's he can take care of it when I'm gone—that'll be enjoyment enough."

The ample form with its placid curves rippled in a spiritless indignation at the other end of the table. "It ain't fair, Pa," she urged pee-

vishly. "Here he is just getting on with real nice people and invited all around—house-parties and such, and clubs and all that—and now you're going to make him come down to your stuffy old office every day!"

This was a gross libel on the old man's headquarters; a whole floor had been remodeled by a fancy architect in an ascending scale of opulence that culminated in an inner sanctuary with fluted columns, padded floors, and silk rugs—a place where everything had been carved, woven, painted, or designed, to special order. It looked expensive, and thereby satisfied the old man's only esthetic sensibility.

Dispassionately he grunted as he pushed the empty cup away. "Jim's going to learn to work," he announced flatly. "Tell him to come down to the office at five this afternoon. If he don't come, his allowance is cut in half. Not before five o'clock, though. I'm busy." He shoved his chair back from the table and jammed the paper in his pocket. "Don't forget to tell him about his allowance—he'll come."

"His allowance—oh, Pa!" The silk

and lace morning gown fluttered in an agony of agitation. "Why, he hasn't enough as it is, and I was just going to ask you—wait a minute—wait a minute, Pa—" But with a final snort over his shoulder the old man had disappeared, and from the distance came a further series of puffings and gruntings that marked his struggles with his overcoat. Helplessly the fluttering laces and silk settled back.

The thumb of Destiny had been turned down, and the doom of a regular and daily toil was about to descend on the son of the house.

Down-town, late that afternoon, the old man sat alone in his carved and padded sanctuary. Thirty stories below, the haze of the evening was already settling, softening the rooftops of the distance and leaving in delicate contrast the purple canons of the intersecting streets. Before him, on a littered desk with the area of a billiard-table, four clocks bearing enameled signs—London, New York, Chicago, and San Francisco—marked the hours with a mechanism as silent as the passage of time itself.

As the New York clock indicated a quarter of five he had dismissed brusquely the last conferee and then apparently lost himself in staring idly over the mellowing lights of the great city. The smooth-shaven, heavy jowls and the lean lips were as im-

mobile as ever, yet at intervals the old man's eyes traveled across to the little clock that was slowly counting out the minutes of the New York day. And one of the heavy-knuckled hands covered with the loose, parchment skin of old age abstractedly fondled an unlighted cigar that would ordinarily have been half consumed by this time.

A muffled buzzer sang at the side of the desk, and a second later a faded little secretary appeared. "Your son is outside, Mr. Gorem."

"Send him in," ordered the old man curtly. He swung around at the desk, lighted the cigar briskly, and began shuffling among the scattered papers. "Prompt—maybe he's got the goods. He ought to have—from me, anyhow. Or maybe he wants the allowance," he added grimly to himself. "On time, hey?" He looked up as his son entered the room. "Ma told you what I wanted you for?"

The younger man nodded as he lighted a cigarette. "Said we needed the money—I'm getting to be a big boy now—time to go to work, put my shoulder to the wheel, and all that sort of thing," he answered flippantly.

The old man snorted. "Well, made up your mind what business you want to go into, hey?" he asked.

"Well, Dad, I've come to talk it over. But you know I've no taste for business—what need, anyway? You've got more money than you or the rest of us can use. Of course," he went on seriously, "if we were like most families and you needed me, why, you know, Dad, I'd pull along in the yoke with you like all possessed. But as it is, I don't feel that I'm a shirk."

"You won't be a shirk, Jimmie—you've got my blood in ye—and it's time to begin. I've got some pride o' family, and I made my own pile myself—I've got the pride of wanting to see my son do what I've done, and with a better chance at the start than I had—peddlin' tinware. In the next place, there ain't room in this country for a man that won't work, whether he's one of these rich hoboes or just an ordinary poor one; and then, for another reason, I don't intend to be one of these fool fathers of rich men's sons, spending the dollars they don't know the value of."

"But you've made enough, more than enough, Dad—you can't use what you're making now," argued Jimmie.

"That's not the point," retorted the old man harshly. "A man's what-d'ye-call-it, hey?—destiny, that's it,

destiny—is work—and work is anything from peddling bananas or tinware, like I did, to bossin' from the top o' the heap, like I'm doing now. My money's going to give you a better chance to choose than I had—now then, what ye going to have, hey?"

It was a crisis for Jimmie, but Jimmie did not know it; for, like most crises, it looked very commonplace. A score of times Jimmie had escaped with audacious ease; this was merely another time, probably.

"From any one else. Dad, that would sound like an invitation to have a drink. But if I've got to choose right off, it's only fair to begin at the bottom and peddle bananas as you suggest," said Jimmie gaily.

The old man leaned forward grimly. "All right, selling bananas it is; I'll take you at your own word. And," he added bluntly, "if you go back on it now—well—"

"The banana business!"

Jimmie recognized, a trifle late, that he had really passed a crisis. In the momentary whirl and adjustment of ideas, an impossible picture arose in his mind of a young man and a two-wheeled cart piled high with sprawling yellow fruit. "Oh, I say, Dad, that's only a joke!" he exclaimed.

"Joke nothing! Or if it is, it's your joke, ain't it? You make a wish, just like a story-book, and here I am like the fairy godmother that makes it come true—like that!" He cracked his big knuckles in illustration.

But the harshness died out of his voice as he went on: "Why, Jimmie, son, I don't care what it is you're in; but I'll put you at the top of the heap. You needn't worry about pushing a cart through the streets—I did that, or pretty much that, when I started. But you'll start right—big business, modern ideas, and all that sort of thing. Bananas! By gad, I'll show the world what the banana business ought to be!"

He punched a button under the rim of the big desk, and the faded little secretary popped into the sanctuary. "Fix up a room for Jim outside somewhere. Put a desk in here for him till it's ready." The faded secretary slid noiselessly out.

"Jim, you'll come down-town with me mornings after this. Your business at first will be to sit tight—mostly to stop, look and listen, as the railroad signs say. You can go up home now and tell Ma that your salary will be what she thinks your allowance should be—now that you won't have time to spend it."

Jimmie accepted the state of affairs

with an easy adaptability, though still a trifle dazed at the swiftness with which events had crystallized. "All right, Dad! Hooray for the banana business if you say so—this automatic choice is a great load off my mind. Want me to go home by way of the docks and pick up a few bargains in left-over bunches?"

"You don't know enough," retorted the old man curtly. "I don't reckon you know enough about business to start anywhere but at the top." His face hardened in abstraction for an instant.

"If anybody cares enough to know, you might say that you're the secretary to the Consolidated Tropical Fruit Products Development Company."

Jimmie whistled. "Swell name that, Dad! When I can reel out an off-hand inspiration like that, I'll be qualified to sit among the big guns, too. After this I'll never be able to look a banana in the eye without taking off my hat to it."

The old man's harsh features softened again, and he walked across and laid his heavy-knuckled hand on the younger man's shoulder. "Why, Jimmie, son, there's no greater world to conquer than that of modern business. You've got brains—ain't I your father?—and with me back of you we'll found one o' these financial what-d'ye-call-'ems—destinies, no, dynasties—that's it, dynasties. I'll show you. Tell Simmons I want to see him," he concluded abruptly as they reached the door together.

Before the old man had returned to his desk, Simmons, the drab little office secretary, was again at his elbow. "Mr. Jim, said you wished to see me, sir?"

"Yes; everybody gone? Well, call up Griscom and tell him to meet me at the club this evening; important. Get Foote on the wire—tell him to be there, too."

Griscom was chief of the old man's staff of permanent counsel, and Foote was his chief consultant on legal matters of importance. Big-boned, gaunt, and taciturn, after Gorem's own pattern, Foote had risen by the sheer force of a cold and powerful brain from the shady twilight zone where he had been the chief legal bulwark of a long-dead political gang, until he was now almost a symbol of adroit legal and intellectual ability. The old man had once remarked—it was the nearest he ever came to a compliment: "Foote don't waste any time telling me what the law won't let me

do; he shows me how to go ahead and do it!"

As Simmons withdrew, the old man dropped into his chair and began to think. His cigar went out; absently he drew another from the drawer and as absently lighted it. The city below him veiled itself in the amethyst twilight, and little lights pricked the depths like stars from an inverted heaven; his eyes saw nothing; time, space, hunger, all were forgotten while the agile, shrewd old brain tested swiftly shifting plans.

This banana business was the sudden result of a domineering nature and a peevish impulse. It was new, untried; his friends would regard it as freakish; yet there was never a thought of change: The banana business for Jim it must be. He had dealt with great staples—steel, mines, traction, railroads, and once a venture in a textile consolidation. The perishable commodities that needed quick markets were, to him, an unexplored field. Yet he knew the principles that had made his success in other fields, and never for a moment did his faith in his own powers falter. Besides, this appealed to him because it was the beginning for Jim.

Jim's beginning—He thought of his own: the dull, deadening battle with poverty; then the slow rise with others as humble as himself until chance gave him a sudden lift. But it was not until the war that his first really big strike had come. The old man recalled his first partner, now long dead, and their start in army contracts; how first a slight change was made in the contracts and then how, observing the possibilities, they had schemed and maneuvered to get them still further changed. It had cost money, too; but it was worth it—getting the specifications altered to easier conditions after the contract was awarded.

That was long ago, and it was very raw work, but it had given him the tip; some special privilege—illegal, legal, or natural—that was the point. Once that was attained, no commercial genius was needed to bring in a flood of dollars. Given a monopoly, and no brains were needed to make it profitable. He had dealt in monopolies and special advantages—privileges—governmental and private, tariffs and rebates, and monstrous fortunes had followed.

He had no politics, although he would have denied this angrily; and he always proclaimed his party label with unction. Whatever ideals his party might have had, he had for decades

met it on the common ground of—"business is business," and the establishment of a profitable business the chief end of man. "Business is business" had served him as a bill of rights and a creed of humanity.

Jimmie's entry into business rapidly absorbed him. He had faith that Jimmie had brains; but the brains would take time to develop. And meantime he had no mind that Jimmie, his son, should have his name linked with failure. But how to put the banana business on a fool-proof basis—that was the problem.

At first he had thought of organizing an expanding chain of stores with their wholesale distributing warehouses. With the heavy financial backing for which he would be the sponsor, it could control the trade after the field had been cleared in a relentless war of competition. But there was no iron-clad monopoly in this; competitors could spring up again and could not be permanently controlled. It would be neither profit-tight nor fool-proof. It would require a commercial genius at the helm, and he had no illusions; Jimmie was not that.

Then the old man's mind turned to controlling the source of supply. A vision arose of a fleet of steamers plying to the tropical ports that were established centers of banana shipments; but there would be nothing to prevent other steamships from competing. Or, if a monopoly was established, there would be nothing to prevent other tropical countries from developing the banana trade, and this again would make that most undesirable thing—competition.

No, it would not do. He could not monopolize the world's output of bananas, for the tropical banana belt girdles the world. . . . His thought was suddenly illuminated, and he broke into a raspy chuckle somewhere down his throat.

He pulled out his watch; it was too dark to see the hands, and he turned on the desk lamp. As he saw the hour he grunted: "Must be getting old when I can't think any faster than that!" A minute later he was in the elevator and dropping past the thirty doors that streamed up from the street level.

That evening he met Griscom at the club. Later, they were joined by Foote, and the three conferred late in one of the upper rooms, where they were nominally busy with dummy bridge. And the next morning the wheels began to turn, with Jimmie gravely watching each revolution.

New offices blossomed on one of the lower floors of the tall office-building, and a corps of clerks and draftsmen was detailed therein. Long arrays of filing devices and tabulating systems lined the walls, and presently the head draftsman began to report up-stairs to Jimmie and the old man with bulky rolls of blue-prints, on which were irregular patches of colored areas, with marginal notations. Maps accumulated, and more devices were installed to file them. A dozen stenographers were kept busy with subsidiary correspondence, and the chief filing-clerk from up-stairs came down and organized a system for filing and tabulating vast numbers of reports of temperatures, high, low, and mean, together with rainfalls, barometric readings, and general meteorological data.

Up-stairs the old man sat with his hand on the throttle; real-estate men from the big centers came and went by his private entrance in a steady succession, and a score of confidential satellites fitted in and out. A special legal department was formed and was kept busy drafting or scrutinizing title deeds and options on vast areas of abandoned farms and other land throughout New England and the Middle States. And Jimmie, faithful each morning at his desk in the old man's sanctuary, grew dizzy in the maelstrom of shifting, whirling energy.

A trivial incident had been the foundation on which the old man had built the scheme. A little perfunctory notice in a daily paper had caught his eye some days before his interview with Jimmie. It briefly stated that from the Botanical Gardens two bunches of bananas had been sent to the patients of the tuberculosis hospital on the East River. They had been grown under glass, he read—but they had been grown in the United States. Later, when he thought over the banana problem on the evening after the interview this recurred to him—they had been grown in the United States. It could be done; there was the proof—he would found a great American industry.

One night some weeks later, the old man pressed a button and a powerful group gathered around the long directors' table in the private room of his up-town club. There were a couple of New England senators and a few congressmen from scattered but reliable constituencies, and the remainder were representa-

tive of the heavy-caliber, substantial business interests. On each chair lay a printed pamphlet—the charter, as it stated on the cover, of the Consolidated Tropical Fruit Products Development Company; folded within was a blank for stock-subscription pledges. Attached by a wire clip was a typewritten statement, headed: “For the Daily Press.”

Jimmie sat at the old man's right near the head of the table. His name was printed in the pamphlet as one of the incorporators of the new company, and today he was to take an active part. He was to read a few typewritten statements, as befitted the potential secretary. As the faded Simmons ushered in the last expected magnate, Jimmie's father rapped on the table with his knuckles.

“I reckon most of you gentlemen know the purpose o' this meeting—at least in a general sort of way,” he announced, “so that we can get together on some of the details. I won't take up any more time now except to say that I'm backing this proposition to the limit. It's the best project I've ever handled, and if we all stand together on it there's more profits in it than we've ever made before.”

“Another thing; Jim here is to be the secretary—and there's a lot o' room in it for some more sons and relatives, and I guess that'll come in handy for most of you, anyhow. You've read the copy of the charter of the Consolidated Tropical Fruit Products Development Company; it's to raise bananas on the waste lands in New England, and it's drawn so that we've the power to run anything from a dago boarding-house to a pipeline. Jim, read that statement that's been written for the newspapers, and then if there's no objection we'll send it out.”

Jimmie arose with his mimeographed typewritten copy in his hand, and read:

“Experiments made in the past few years in the growing of bananas under glass in the Botanical Gardens of New York have demonstrated conclusively that it can be done. A new field is thereby opened to American industry. Two bunches were recently presented to a local tuberculosis hospital in triumphant conclusion of these experiments.

“No more important field for a great national industry has been opened up than that which lies in the development of this tremendous and proven opportunity. Not only will it solve the question of the enormous

areas of abandoned farms and cut-timber tracts throughout New England and the Middle States, and thereby give employment to thousands of workmen, but it will react throughout the country and stimulate every industry that is related to this great development of the American home-grown banana. This is obvious when it is considered that millions of feet of glass will be required for the vast areas of greenhouses, that thousands of tons of structural steel will be needed for the frames, and vast quantities of paint and putty to finish their construction; also, in the line of accessories, there are the boilers and heating pipes, the brick and cement, and the enormous demand for coal that will bring prosperity to all these trades.

“The Consolidated Tropical Fruit Products Company proposes to begin on a moderate scale and at the end of the first year to have one hundred thousand acres of these abandoned and cheap lands under glass, and to expand this acreage as rapidly as possible. It is safe to say that no industry that has been undertaken in this country in the last half century has held such tremendous possibilities of profit and prosperity as lie in the growing of the American banana. It is only natural to expect that our Government will lend its protection to such a vital national enterprise.”

Jimmie laid down the typewritten page, and the old man handed him another. “This is the engineers' report. Read it, Jim. No, not all of it; just the summary—I've marked it.”

And Jimmie read.

“As the result of the above-mentioned experiments (the two bunches grown in the Botanical Gardens) it becomes a simple matter to arrive at the total production on the basis of the first year's operations, i. e., a basis of one hundred thousand acres under glass and planted to bananas. It is proposed to use the latest methods and intensive cultivation, and therefore the banana trees should be planted ten feet apart each way. This will give an average of four hundred banana trees to the acre, or a total of forty million banana trees. Allowing only one bunch of bananas to the tree and also figuring but two hundred bananas to the bunch, there would therefore be grown for the first year the total of eight billion, or eight thousand million, bananas.

“At a profit of only one cent each, which it is proposed to add to the cost of growing and marketing, they would produce a net profit of eighty million

dollars! Should the proper political and trade conditions be secured, a profit of two cents each may be considered, which will, of course, increase the dividend to one hundred and sixty million dollars for the first year. The banana will bear the first year, under proper conditions.”

Jimmie sat down; his part in the meeting was now over. His father leaned forward impressively and spoke:

“I want to say that those last figures on the profits are wrong.” He paused as if to note the effect. There was none, for that highly sophisticated group knew the old man too well to be startled by anything except a loss; and he never lost. “They're wrong,” he continued, “they're too small. It will cost, roughly, fifty thousand dollars an acre to put the land under glass. In order to make a return of ten per cent on that investment it will be necessary to add six and a quarter cents to each banana above the cost of production. And there'll be nothing to stop us making it more—within reason, of course.”

The head of the Sheet Glass Trust rattled his copy of the charter and looked over his glasses fustily.

“Six and a quarter cents apiece for a banana, Mr. Gorem, is a pretty high price, even if it is extra fine and hothouse grown. They're six for a nickel generally around my office—sometimes less.” He was a thrifty man of noted thrifty habits, and a quiet smile went around the group.

The old man cracked his knuckles cheerfully: “Six and a quarter cents apiece!—Who said six and a quarter cents apiece! I said six and a quarter cents above the cost—net profit—and probably more. I propose, Mr. Parkinson—and gentlemen—that our first crop shall sell for thirty cents apiece! It'll cost twenty-one cents each to grow 'em—can't be done for less under glass.”

A gentleman in a white waistcoat leaned forward interestedly; he was the Consolidated Steel Trust.

“I take it,” he remarked, “that you have, Mr. Gorem, of course considered the question and the relation of the present supply of bananas from the tropical countries? They are quite ample, and quite cheap, I believe?”

“Yes, I've considered it,” returned the old man, “and I don't propose that another banana shall be landed on these shores. What's a tariff for, hey? Ain't it to protect American industry and capital, hey? I propose to have it made as dangerous to bring a

banana into the United States as it is to forge a check, commit bigamy, or smuggle a petticoat!"

It was the president of the Consolidated Woolen and Textile Trust who chuckled dryly from the lower end of the table. "I follow you all right, Gorem, but isn't it a trifle, so to speak—ah—drastic? Thirty cents a banana—phew!"

"Well, if it is," retorted the old man indignantly, "it ought to interest you good and plenty. If you textile people can get rubber arctics tariff-taxed as woolen goods and then get a duty on them of forty-four cents a pound and sixty per cent additional, this ought to be right in your line. If there's anything more drastic or fantastic than that, it ain't in my banana proposition!" He prodded the table with a big forefinger in emphasis. "Forty-four cents a pound on woolen clothing is more than I'd have the nerve to ask for a tariff on bananas, let alone that sixty per cent additional that you fellows put through!"*

The other leaned back good-humoredly. "Oh, that's all right, Gorem, I guess. It can be fixed for bananas, too, probably. Let's hear a little more. This begins to sound pretty good already."

"If Mr. Gorem will allow me," spoke up the gaunt, saturnine chief consultant at his left, "I will run over this scheme briefly as it has been worked out and as it relates to our common interests."

The old man nodded, and Foote went on:

"Our charter, as you note, is extremely broad. It will take a large amount of capital, and Mr. Gorem agrees to finance the enterprise; it is also desired that you cooperate. Besides your assistance, there is a large amount of European capital that stands ready to come in as soon as we can secure a proper protective tariff on bananas. Such a tariff will of course settle the question of competition and make our market ironclad. In fact, the foreign banks stand ready to take up heavily the bonds of the Consolidated Tropical Fruit Products Development Company.

"We propose to place the contracts for these greenhouses and their equipment entirely with you representative gentlemen. Incidentally, I may point out that on the strength of these very profitable orders you will be enabled to make an extra issue of

stock; to put it bluntly, add a little water."

The little group nodded appreciatively.

"Also, the moment these heavy orders become public, your water will become instantly a good, digested security. Of course the success of this project depends on the passage of an adequate tariff act, and I need not suggest that at first our united efforts must be centered in that direction. Our political party has been pledged for years to this great principle of protection for our American industry in every line, so that we can confidently look to it for support now, as in the past."

The senators and the congressmen nodded an indorsement. A little desultory discussion followed, and then the company was formally organized, its laws were adopted, the officers elected, and the little blanks, now filled in with pledged subscriptions, were passed over to Jimmie, in his official capacity, to file.

After the last magnate had departed, Jimmie turned to his father, who was standing before the onyx fireplace and rubbing his big-boned hands together in the way that Jimmie knew denoted perfect satisfaction.

"I say, Dad, at thirty cents a banana a lot of people will have to give up eating them, won't they?"

"Well," said the old man good-naturedly, "if they can't afford them—why not?"

Jimmie thought of the office and messenger-boys with their lunch of frankfurter and banana topped off with a spoonful of "hokey-pokey"; also of the typewriters in his own outer office who brought their lunch in a paper, with the banana as the final effect. He could not help thinking that they could just afford them now.

Shrewdly the old man divined Jimmie's thoughts. "Jimmie, son, don't get swept off by any sentimentality over individual cases. One's got to think o' things—big things—as a whole. Why, son, the minute I float that foreign bond issue abroad and the money's deposited here to the credit o' the Consolidated Tropical Fruit Products Development Company, the per capita wealth of this United States will be increased over one hundred dollars a head, man, woman, and child! Think o' that wealth, hey!—ain't that national prosperity? I tell ye, Jimmie, the Big Business men here are the country's greatest benefactors. What difference does it make even if fewer bana-

nas are eaten by them that can't afford them, hey, if those that can, pay more for them? Isn't there more money in circulation? Ain't that prosperity? Bananas cost more; more money in circulation; more prosperity—don't that stand to reason, hey?"

"I see," said Jimmie. "And the higher we sell bananas, the higher wages we can pay, so that the prosperity gets distributed?"

The old man chuckled abruptly. "Don't be foolish. You just pray for a proper tariff to keep bananas out o' the country, and immigration and the natural birth-rate 'll take care o' what wages we pay—that's the natural state o' man in this world—competition."

"Still, Dad, it's kind of tough on those that can't afford bananas, isn't it?"

"Business is business," returned the old man briefly. "When you go, tell Ma I'll be home early," he added significantly, and Jimmie took the hint and left.

With a score of able influences at work, it was not long before visible signs of the new business could be noted. The special Sunday editions of the daily papers throughout the country began to display blurred half-tones showing typical abandoned farms and desolate stretches of burned timber tracts with their blackened, sprawling ghosts of dead trees. Interspersed were imaginative drawings of vast greenhouses, the whole enclosed in a decoration of palm leaves and bananas. Later, the Sunday specials became more definitely informative; they were crowded with comparative statistics in a sugar-coated form—a ragged peon holding a bunch of fruit with a diminutive Uncle Sam gazing longingly at it. This was the present. The future showed the comparative size reversed, while a prosperous, square-capped workman clasped the avuncular hand across a colossal banana. Occasionally the magazines drifted into the field, emblazoned with banana half-tones.

Rapidly sentiment roused itself on the great issue of a national, American banana and the inevitable prosperity that would follow the properly tariff-taxed fruit.

In the rural districts farmers' associations indorsed the banana and its protective tariff. In those same districts justices of the peace, road supervisors, school boards, poundmasters and constables were elected—and occasionally defeated—on this burn-

*The Payne-Aldrich Tariff Law of 1909 taxes woolen clothing at forty-four cents a pound and sixty per cent additional, and rubber arctics have been included in that classification.

ing issue of a national industrial patriotism. It was not long before the sentiment for the American banana seemed to spring from the very bosom of the people and merely to be reflected in the pages of the daily press, from the stalwart metropolitan journals on down to the little country sheet with its "patent insides."

The tariff must be revised; a tariff tax must be placed on the foreign, tropical banana that would effectually prevent its competing with the proposed national project; no longer could the country submit to the demoralizing effects of the exotic, pauper-grown fruit. The demand was specific, insistent, and there was no doubt that Congress would be forced to take up the question in response to the popular will.

When Congress met, the old man called Jimmie into his room. "You might as well go over to Washington a spell," he remarked. "Things are going all right, but it won't do you any harm to look on—and learn, maybe."

So Jimmie packed up and hied him to Washington and sat through the slow hearings before the Ways and Means Committee of the Lower House, the first preliminary. Foote was there, in the background, but marshaling the forces. Many of the faces Jimmie recalled from the memorable meeting in his father's office weeks before. These men were experts in trade and industry, and were cheerfully bearing witness before the committee to the benefits of an adequate tariff on bananas. The amendment to the existing tariff act would place a tariff tax of thirty-two cents apiece on each banana—this amount having been decided upon as sufficient to afford the ordinary leeway.

It was a foregone conclusion that the bill would be reported favorably out of the committee, as finally it was.

Then came delay, though the bill was advanced as rapidly as possible on the House calendar. Its advocates knew that a few chronic malcontents might oppose it on the floor, but its passage was assured; in the main it was recognized by its party sponsors as an opportunity for some oratorical efforts that might come in handy back in their home districts.

When the Banana Bill, as it was popularly known, was moved, a flood of minor oratory broke forth. Faithfully Jimmie followed it from his seat in the gallery. It was the Chairman of the Ways and Means Committee who was to make the closing speech.

When it was known that he would speak, the old man himself came over and sat next to Jimmie. It was Jimmie's own business that was being launched; it was the old man's last project—he knew it; and to have this foremost orator speak in this case was, in a way, like his delivering the salutatory for the opening of Jimmie's career in commerce. Therefore the old man was on hand.

The chairman began with a review of the history of this country; he read the minds of the early fathers of the Republic and praised their transcendent wisdom. Those first early taxes on imports, he explained, were but the indication of the finger of Providence in our destinies.

"In those early days of struggle, Mr. Speaker, our country was poor; they dealt thriftily in small figures and had but faintly grasped the full principles of national prosperity. And I call the attention of the House, Mr. Speaker—and also of that small, unpatriotic minority who oppose progress and prosperity—to the indisputable fact that our country is more prosperous today than it was then; I further emphasize the fact that our tariff taxes were small then and are greater now. Never was the relation between the tariff and prosperity more clearly evident.

"As we have increased our tariff taxes, so has our welfare thrived. Our great West, our vast natural resources, our inventive skill, and our industry—what are these but tributes to the genius of the tariff tax! Standing before the solemn altar of History, I say to you that those qualities do not make prosperity. It is the tariff.

"In past decades of timid tariff taxation it used to be apologetically stated that the foreigner paid the tax. We are a proud people, Mr. Speaker, and today we meet the issue squarely and say that the foreigner does not pay the tax! With a proper pride and self-respect we pay our own taxes—we ask no one to pay them for us. We have taxed ourselves rich and, as new fields of prosperity are pointed out to us by the great captains of industry, we should be proud of the opportunity to put our shoulder to the wheel of taxation.

"It has been alleged that this tariff on bananas will raise the cost of the banana to the American people. What of it! Is it to be said that an American is ashamed to buy expensive things—he, the highest paid worker on the globe! For this argument of cheapness I have the least

patience. As that great statesman, President McKinley, when discussing this same tariff principle during his brilliant career, said that 'a cheap coat makes a cheap man'—so do I say with all the fervor of my cause that no less does a 'cheap banana make a cheap man!'

"This bill which we report has been drafted on that vital tariff principle enunciated by President Taft—that a just tariff tax is one so levied as to equal the difference between the cost of production in the United States and the cost abroad, plus a reasonable profit for the American manufacturer. The Tariff Board has been of inestimable assistance in this matter, so that the tariff asked for is exact. As is well known, the cost of raising bananas in the tropics is trivial, and we therefore ask for a protective tariff on bananas of thirty-two cents apiece—the difference between the cost of production at home and abroad, plus the reasonable profit."

The chairman of the Ways and Means Committee continued in a masterly protection address too long to reproduce. Then in a hushed silence he delivered the peroration:

"I see, Mr. Speaker, as in a vision, the now barren lands and stumpage of New England covered with sparkling acres of glass—greenhouses from horizon to horizon and topping the snow-clad hills of those now bleak states. Under the vast glass roofs, and in those artificially humid groves of fragrant bananas, I see thousands of happy American working men singing at their labors; in their near-by homes a multitude of happy hearts throb with joy for the blessings brought by the home-grown, all-American banana.

"As against that inspiring vision I see the present: the banana of today, a cheap, pauper-grown fruit from a cheap, pauperized foreign country. A negro in a ragged pair of breeches and a tattered shirt—or no shirt at all—and with a machete in his hand, living in a wretched palm-thatched shack and working for less than half a dollar a day! That is the man who is growing bananas for a freeborn American people! No American will accept such a wage or such a life—nor can he compete without an adequate protection against this pauper fruit.

"Under the shadow of those Stars and Stripes that proudly floated from Sumter to Appomattox, and in the great name of our free people, I ask you to pass this bill and give justice to the American banana."

As the speaker took his seat amid a wild scene of tumultuous applause, a mob of eager hand-shakers surrounded him.

The old man turned to Jimmie.

"Come on, Jimmie—no use waiting any longer. It's all over; the Senate'll pass it without debate, and you're launched in business at last, son and it's profit-tight and fool-proof. Bringing a banana into the country from now on'll be a criminal offense, and you can make money as long as you don't have to sell bananas at over thirty-two cents apiece."

The next year the old man took his first vacation, and Jimmie slipped gradually into the sole control. Then the old man took his Final Vacation, and Jimmie was at the helm. Being, as the old man had felt, no fool, he continued to make monstrous sums of money from the banana business.

But if he had been a fool, the profits would have come in automatically, just the same.

TIN PLATES.

E. N. Vallandigham

Wholly in the spirit of the Home Market Club, the BOSTON HERALD of recent date publishes an editorial article which bears the tenderly affectionate title "Our Tinplate." This editorial utterance is provoked by last year's statistics as to the manufacture and export of domestic tinplates, and the imports of foreign tinplates. It appears that in 1898, seven years after "the fostering tariff breathed the breath of life into the struggling infant," our exports of tinplates for the first time reached a value of \$1,000, while our imports in that year were worth nearly \$40,000,000. Last year, a quarter of a century after the "fostering tariff" had imitated the Almighty's celebrated performance upon Father Adam, our exports of tinplates were worth nearly \$19,000,000, our imports only \$141,000; and the value of our tinplate production for the present year will reach \$75,000,000,—half the production of the entire world. The HERALD then invites the American people to contemplate the beneficent work of the tariff as thus illustrated, to see, so to speak, in the protective policy the equivalent of a divine Providence. Now the HERALD has its times—and they are frequent,—of fairness toward those with whom it disagrees, but there is something so at war with honesty in the protective system that it is almost impossible for its advocates to avoid crooked reasoning or suppression of fact. It is into this latter insincerity that the HERALD is betrayed by the bad com-

pany in which it for the moment finds itself. There is a shameful chapter in the history of the tinplate industry that the HERALD forgets or ignores. True we imported most of our tinplate before the Republican party decided in 1891 to allow to a small group of home manufacturers the privilege of taxing the whole American people in order to build up a domestic tinplate industry. Such an industry was built up by means of protective duties that in large measure excluded foreign tinplates and enabled the home manufacturer to charge an extravagant price for his product. Byron W. Holt, in a letter issued late in 1899 by the New England Free Trade League, estimated that from 1891, when the high duties were imposed upon tinplate, to 1899, that piece of protection cost the American consumer between \$80,000,000 and \$84,000,000. Of course, as usual, it was imposed in the name of the American workingman, to protect him from the pauper labor of Europe; but as a matter of fact, while the difference in labor cost between the American and the European tinplates was only 20 cents per box, the protection granted was 75 cents per box. In other words, the laborer's share was 20 cents and the manufacturer's 55 cents.

By 1898 the stimulated tinplate industry had begun to develop a competition among the home manufacturers, and negotiations were opened with a view to making a combination so that the manufacturers should obtain the full benefit of protection, and be safe not only from foreign, but from domestic competition. The result was what we know as the tinplate trust, though the contrivers of it were clever enough to avoid giving it exactly the trust form and name. It was effective, however, for their purposes; for it practically killed domestic competition, under which the price of domestic tinplates had been falling, though they had not reached the price at which foreign tinplates could have been sold here. The combination now formed included 40 plants with 280 mills. These could have been duplicated for about \$6,000,000. Real estate and cash brought up the assets of the combination to a value of somewhere between \$10,000,000 and \$12,000,000. It is said that for these plants the combination paid \$18,000,000 in common, and \$18,000,000 in preferred stock, and allowed to the promoter \$10,000,000 of common. The total capitalization was \$50,000,000, of which \$30,000,000 was common and \$20,000,000 preferred. The combina-

tion retained \$2,000,000 on each kind in its treasury. By way of reducing expenses the combination almost immediately closed nine plants with 34 mills, employing somewhat less than 50 men each, say from 1250 to 1500 men thrown out of work, of whom some doubtless, were sooner or later absorbed into the mills that kept going. Mr. Henry W. Lamb found next year that eighty of the 280 mills taken into the combination had been closed. Thus more than 25 per cent. of the mills went out of business.

When the combination got well going, it began to raise the price of its product to the home consumer. In December, 1898, when the combination had just about been formed, the price of American tinplate at home was \$2.90 a box. In January, 1899, it had gone to \$3.20 a box, by March to \$4, by April, as the canning season approached, to \$4.07 1-2, by September to \$4.85. The gentlemen in the combination tried to show that the rise in price had been caused by an increase in wages and in the cost of raw material, but in reply it was proved conclusively that the advance in price had been far beyond anything justified by the causes assigned. When the combination was investigated by Congress, some of the officials belonging to it insisted that profits had been far higher before the combination was formed, while others defended the closing of mills upon the ground that they were unprofitable. It was conclusively shown that the combination had suspiciously close relations with the makers of its own raw material, so that they probably enjoyed an advantage over independent competitors.

That is the dark chapter in the history of the tinplate industry up to about 1900. It was then prospering at the expense of the American consumer, and canners in some parts of the country were so embarrassed by the increased cost of tin that their embarrassment reacted upon farmers growing tomatoes and other vegetables and fruits for the canneries. Of course the consumer also felt the increased cost or reduced quantity or quality of canned goods. A comparatively recent law standardizing canned goods was necessitated in part no doubt by the conditions imposed upon canners by the tinplate combination. The prosperity of the protected tinplate industry must have cost the American people a pretty penny by this time.

According to the HERALD, the tinplate industry is still flourishing

greatly, and under greatly reduced protection. May the industry continue to flourish, and under still less protection. The fact that it has flourished at a killing cost to the American consumer, that it ungratefully rewarded the protection afforded by the American people by forming a combination for the artificial increase of the price of its product to the home consumer, cannot lead any free trader to wish it ill if only it will deal justly now and hereafter. Let nobody, however, instance the growth of this industry as an example of what a beneficent tariff can do for the American people. It is merely an illustration of what the protective tariff can do to enrich the few at the expense of the many.

Since 1900 the tinplate makers have been steadily cared for by the Republican party, and during that time the domestic tinplates have steadily more and more crowded the foreign article out of the American market. The Payne-Aldrich tariff placed the duty of 1.2 cents a pound on imported tinplates, which at the prices of the moment, amounted to about 44 per cent. By 1913 the price of the imported article had risen to 3.3 cents per pound,—which made the rate less than 40 per cent. The Underwood tariff placed an ad valorem rate of 15 per cent. The total domestic consumption of tinplates since 1900 has averaged about 1,250,000 pounds a year, and the tariff most of the time has added about 40 per cent. cost to every pound consumed.

BENEFITS OF FREE TRADE

During the first half of the last century England had a high protective tariff on imports. The import duty on foodstuffs was so high that there was a large amount of suffering amongst the poor.

It was to remedy the distress of the poor that the duties on wheat and other grains were abolished in 1846. Complete free trade was established in 1848.

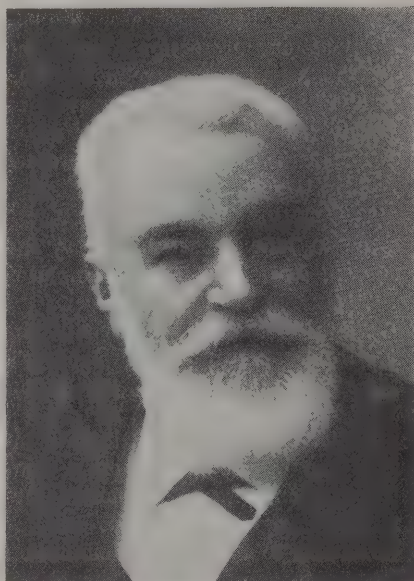
The great increase of imports that resulted was followed by large increases of exports to pay for the imports. In 1805 the value of England's exports was only £20,000,000; and it took thirty years to double this amount under the protective system.

But after free trade was established in 1848 the exports of that year (£54,000,000) were doubled in 12 years. The exports for 1860 amounted to £110,000,000. Approxi-

mately this rate of increase has continued ever since.

The great increase in the demand for labor in England after free trade was adopted caused an increase in wages. At the beginning of the present century the wages of English workers were about 22 per cent higher than those of French and German workers, and at the same time the cost of living in England was about 22 per cent lower than in France and Germany, where there is a high tariff on all foodstuffs.

Observer.



M. YVES GUYOT.

The President of La Ligue du Libre Exchange.

FRENCH FREE TRADE APPEAL.

(From the Springfield Republican.)

To the Editor of The Republican:—

If the United States, though her neutral position gives her no claim to be invited, is asked to join with the victors in the council of nations at the close of the war, what shall be our contribution to them? Are we to appear as an advocate of that extraordinary plan of some among us who propose to establish a scheme of a joint forcible control of a nation threatening war, continuing great armies and navies, in all details suggesting insoluble problems and in the most absolute defiance conceivable of George Washington's warning against "entangling alliances"?

Can it be that there is no other alternative left because of our desire to continue the commercial and financial benefits obtained for us by the

war than through a protective tariff, and that we are unable to act internationally at a great world crisis and to follow that other counsel of Washington: "I indulge a fond, perhaps an enthusiastic idea . . . that the period is not very remote when the benefits of a liberal and free commerce will pretty generally succeed to the devastations and horrors of war"?

The creation of a public opinion in favor of free exchanges seems to be the only hope for laying the foundations of peace and going to the root of the matter. Here is a voice from the savior of our young nation, our friend from the beginning to the present time. It is from La Ligue du Libre-Echange of France, which was founded in 1911 with this moderate and excellent program: "To prevent any increase in established duties and any unjust interpretation of existing statutes which would render their burden heavier; to obtain the negotiation of treaties for long periods so as to prevent tariff war among the nations and to insure stability of industry and commerce, and to make sure that these treaties should forbid any increase, while permitting decrease in tariff rates." A manifesto of the league, which has just been received (somewhat condensed in translation) thus propounds and answers the question: Has the war invalidated the position taken by the league at its foundation?:—

"Of course, we recognize, as the Economic Conference of the Entente Allies declared, that the war put an end to all the commercial treaties. In a rearrangement among the nations of the world after the war, the Free Trade League points to the fact that should a convention be established between Great Britain and its dominions so that the open door between them should be closed to other nations, while Russia with its 160,000,000 inhabitants and the United States with its 100,000,000 (not to speak of the German markets, the closure of which would ruin specifically the industries of Alsace and Lorraine) should enforce high protection, the interests of France, with less than 40,000,000 inhabitants would be practically wiped out. Germany is the great outlet for Russia; neither France nor Great Britain nor Italy can undertake to absorb the quantity of cereals, wood and flax that she absorbs. The 120,000,000 inhabitants of Central Europe and the geographic conditions in which they are placed cannot be ignored.

The Entente Allies have threatened to defend themselves against "dumping" by establishing regulations for a long period, prohibitory to the commerce of the enemy nations. Observe that the catastrophe of 1914 was the condemnation of the aggressive protection of the German empire. Nevertheless, those groups among the Entente Allies, who are embittered against the Germans, their ideals and their acts, propose to copy them and by singular logic would establish as an infallible panacea the system from which they have claimed to free the world. The true lesson is entirely different. If the war has created new national sentiments among the people who have been attacked, it should lead to a fusion of these sentiments and interests—in an unforeseen international solidarity.

The ideal of free trade should dominate all France. Its repudiation is war in the future; its adoption is an effective guarantee of peace. The peace men who are looking to arbitration tribunals and other more or less ingenious organizations are trying to minimize the effects of international collisions. They do not even consider their causes. The only way to do away with war is to do away with its provoking occasions. The dynastic ambitions, the hatred of races and religions, are factors in war but while they obtain their opportunity in stirring up the latent passions of international rapacity, they are countervailed by the influence of free trade. Actual war is a terrible example of the combination of economic and political rivalry. So long as humanity is unable to separate one from the other, it will be always liable to the risk and anguish of a new catastrophe.

Our conclusions are as follows: Free trade is a necessity as much for the enemy as for our allies; to impose free trade on the enemy is the most effectual means to prevent "dumping." We shall demand a war indemnity from Germany and Austria-Hungary. The payment will be so much less difficult as the increase of their exportations becomes greater. The only way for the Entente Allies to suppress those antagonisms and economic rivalries among themselves which the Germans and Austria-Hungarians are sure to endeavor to stir up in order to weaken their power, is to repudiate their protection theories in favor of absolute, established free trade."

ERVING WINSLOW.

Boston, November 9, 1916.

INTERNATIONAL JUSTICE, FREE TRADE AND FREE PRODUCTION

By John S. Codman.

Far from the strife, bloodshed and horror of the great war, it is difficult for us to realize that in the world today the sum total of human misery is probably greater than ever before in history. No war of the past has approached the present in the number of killed and wounded soldiers. No war of the past has ever produced such a fearful crop of maimed and crippled men,—mutilated, blinded and broken in body and soul, and though today made much of while the glamour of war lasts, doomed, nevertheless, to bear the grievous burden of helpless dependency on others,—a burden which will daily grow more oppressive as the memory of men for their great sacrifices grows dim and gratitude cools into condescending pity. Finally, no war of the past, no great famine or epidemic of diseases has ever caused such suffering to women and children as has been experienced in the last two years. Whole nations have been forced to depend for their daily bread on the charity of the outside world and other nations, even less fortunate, have been decimated through murder and starvation.

No greater constructive work for the benefit of humanity can today be carried on than the effort to root out the causes of war and to constitute a world in which such a catastrophe as the present shall be forever impossible. This consummation cannot be reached by wishing for it, nor by praying for it. God helps those who help themselves, and if international justice and peace are to be established, it can be done only by strenuous effort and, especially, through the use of the intellect which distinguishes men from the brutes. Blind action will avail nothing. Only action, guided by intelligent thought, can lead to accomplishment.

And there is great need, also, for a broad-minded outlook: one that will recognize the value of effort along many lines and will enlist the activities of many men of greatly varying mental and emotional characteristics. Above all, the intelligent effort of mankind must be guided, not by a narrow and selfish national patriotism but by a consciousness of national duty, a decent respect for the rights of other nations and a high regard for the welfare of all humanity.

The various efforts toward international justice and peace which are being made today can be divided into

two principal classes:—first, those which aim directly to abolish the international anarchy which makes each nation today a law unto itself, and to establish in its stead a world-state in which international disputes will be settled in friendly conference or in courts of law rather than on the battle field; and, second, those efforts which aim directly to abolish war by the removal of the causes of international antagonisms, most of which are not real but are the result of race prejudice, lack of government control by the people and the ignorance of economic principles which leads to conditions of social injustice in every country, even the most advanced and most enlightened.

The direct movement for world organization has already made much progress. Some may think that international law with all its crudities and absurdities has accomplished nothing, and that treaties are made only to be torn up. Everything, however, must have a beginning, and progress at first is usually painfully slow. Nevertheless, international law is constantly invoked today by each belligerent in its effort to obtain the moral support of the public opinion of the world, and much of it is scrupulously observed, to hold the good opinion of the neutrals and to establish precedents for international conduct in the future. The international conferences at the Hague and the establishment of the Hague Court for the settlement of international disputes have already accomplished practical results, and the machinery set up can again be utilized later. There is no reason for discouragement over the small results so far obtained, but there is a vast work yet to be done.

This work is now being carried on by the so-called peace societies and it would seem that every intelligent man and woman should give his active, or at least his moral, support to some one of these societies. They have in common one definite aim, namely, the substitution of law for war, the settlement of international disputes on the principle of justice rather than on the principle of "might makes right"; and if they differ to a certain extent in their ideas as to how this can best be accomplished, it is all the more reason why we should furnish what intelligence we possess to assist in ascertaining the best plan.

There may be many who do not believe that progress toward international justice can ever be made so long as in the nations themselves

gross injustices still exist. Is not this, however, an unnecessarily pessimistic view? There has been peace between the German states for a long time and today they are a unit in the war, but is there social justice in the German states? Do we not know that in Prussia a small handful of landowners can outvote the masses of the people and thus maintain an autocratic and despotic government? And is not the agitation of the Social Democrats throughout Germany a constant protest against unjust conditions?

In the British Empire, the establishment of peace between Great Britain and the great self-governing colonies is secure; but social justice in the British Empire is still but a dream. The horrible misery and poverty in London attest it, and the increasing unemployment and poverty in the colonies go to show that an equal opportunity to earn a living is not accorded to every man even there.

Here in the United States, interstate peace seems to be established beyond question, but we cannot say that social justice exists here when unemployment even in the most prosperous times is chronic, where large classes of people are always on the verge of poverty and where those who hold privileges are constantly exacting tribute from the workers, while they live in idleness.

No, it is not well to refuse to work for international organization, nor to deride those who do so, just because the domestic problems of social justice have not yet been solved. The two movements must go forward hand in hand on parallel lines. If we can reduce the frequency of wars and thus turn men's minds from murder and destruction, the hope of obtaining social justice will be immeasurably increased.

If, on the other hand, we can make progress toward social justice, we can greatly reduce the causes of international friction and thus help to end war. In fact, those who hope to end war and yet do not recognize the cancer of social injustice in our midst, are dreamers indeed, and will accomplish nothing without the assistance of social reformers.

Of all the causes of international antagonisms, by far the greatest are the current ideas in regard to international trade: the far too prevalent belief that trade is itself a form of warfare; that nations must force their goods into the markets of the world and restrict the entrance of foreign goods into their own markets;

that to send wealth from a country, that is, to export, is the sole object of trade; while to take wealth in, that is, to import, is destructive to the wellbeing of the people. Such ideas involve the dismal conclusion that the interests of nations are necessarily antagonistic; that what one gains another must lose and that the only hope of national success lies in the conquest or destruction of other nations. If this conclusion is accepted, then it is time for the peace societies to disband and for the humanitarians to forget humanity and aim only at the aggrandizement of their own nations and the cultivation of their own national "kultur."

But that such ideas are false must be clear if we stop to consider that free trade between the states of our Union has admittedly been for the advantage of all; that the same thing is true of the German states, of Canada and of Australia; and that a customs union between Germany and Austria as well as a plan of free trade amongst the allies is now suggested as beneficial. Whenever states group themselves into a federation, free trade follows to the advantage of all; and it is difficult to understand why the mere political union should in any way change the economic conditions.

However, these false ideas of trade persist in a most extraordinary way in spite of all the inconsistencies and absurdities to which they lead. It was as long ago as 1776, the year of the Declaration of Independence, that Adam Smith expounded the true doctrine of trade; and Buckle, in his famous "History of Civilization" published in 1858, more than half a century ago, stated that no educated man in England any longer held the old views.

Nevertheless, the so-called Tariff Reformers in England are still preaching the worn-out doctrine of trade restriction, and in this country it still seems to be the accepted idea of the man in the street, and forms a cardinal principle of one of the two larger political parties. What is the explanation of this persistency of error?

The Free Traders tell us, and tell us truly, that nations do not trade with each other, but that trade is between individuals or groups in one country and individuals or groups of individuals in another country. They say, also, and again they say truly, that these individuals or groups carry on trade for no other reason than because it is for their advantage to do

so. The trade, therefore, is mutually beneficial, otherwise it would not take place, and to interfere with it, they say, is to injure everybody.

But the advocates of trade restriction reply to this:—"Oh, that's all very well. We admit that the trade is mutually beneficial to those who take part in it. But how about your neighbor with whom you might have traded if you had not traded with the foreigner? If you do not trade with your neighbor, it lessens his ability to employ labor, and if there are many others like you who unpatriotically trade with the foreigner, you will deprive labor in general of the opportunity of employment and will see thousands of men in unwilling idleness and all the poverty and misery which such idleness will breed."

To the readers of the "Broadside" it is hardly necessary to show the fallacy of the above argument, but the writer wishes to make the point that this fallacy continues to persist because of the underlying fear of unemployment which haunts the minds of the great majority of men. For unemployment, wide-spread and chronic throughout the world, is a hard, cold fact and a great and terrible menace to our institutions.

Unemployment is the paradox of our civilization. The men should find themselves without the opportunity to produce the food, clothing and shelter that they need when all around them nature has supplied in abundance the necessary material, should be a matter of profound wonder to all. But observing that unemployment is a condition found in greater or less degree in every civilized country, we generally fail to realize how utterly preposterous it is. Let us consider some of the absurd results which follow from it:

Extravagance and waste are often looked upon as virtues, since they give the unemployed an opportunity to replace what is consumed.

Frivolous expenditure on vain and trifling things is commended for the occupation it gives to the jobless.

Labor, even when ineffective and uninspiring, is looked upon as an end in itself, rather than the results that come from it.

Adding to the efficiency of labor through improvements and economies in production, is looked at askance because it may throw men out of employment.

The doing of honest and valuable work for no material reward by one who can afford such action, is frowned upon on the ground that it

takes the bread and butter out of somebody else's mouth, while at the same time we condemn the loafer, when to be consistent we should consider him a philanthropist for leaving the opportunity of work for others.

The flooding of a country with cheap goods from abroad is held to be a national disaster because although many would be inestimably benefited by the low prices, many, also, would be thrown out of work.

Even war is given a mitigating bright side because of the unemployment that it cures. Who would not prefer to fight shoulder to shoulder with good comrades in a common cause, rather than to wander the streets hunting for a job, seeing daily perhaps the look of misery in the eyes of his wife and children, and often spurned as a beggar when asking for nothing but the right to earn his bread in the sweat of his brow.

Oh, if we could but find and correct the cursed maladjustment of society which causes unemployment, we should indeed have found the cure for the principal evils that afflict us; because from unemployment a whole string of evil consequences inevitably result.

Through the cut-throat competition for jobs which unemployment causes, wages are dragged down to the lowest level. From low wages come poverty and ignorance, and these in their turn breed drunkenness, disease and crime.

But if we will only open our eyes and look around, both the cause of unemployment and the remedy are plainly to be seen. The cause of the trouble is the passing into private hands of nature's resources, the mines, the oil fields, the forests, the farm lands, the water powers, and the great city land values created by the presence and activities of an ever increasing population. combined with the failure of the people to make those who hold the privilege of possession pay into the common treasury any sum at all commensurate with the privileges held.

This failure to exact full payment for privileges enables the owners to refuse access on fair terms to the sources of wealth which all must use in order to live. In this way, the production of wealth is restricted and men are deprived of their God-given right to labor for their own preservation.

The remedy lies, not in the abolition of private title to land and the sources of wealth generally, but in taking through the ordinary channel of taxation an adequate payment for

the privilege of possession. When this is done, the owners of the privileges must make use of them in order to meet the payments levied in the form of taxation, and the resulting competition between them for capital and labor will open up the land to the use of all on fair and equal terms.

Then will cease the forestalling of natural opportunities for the purpose of exacting tribute from the workers. Then will cease also, as no longer necessary for revenue, the burdensome taxes on buildings of all kinds, on merchandise and machinery, on the live stock of the farmers and on their various improvements to land, on household goods, automobiles and all forms of personal property; and the production of wealth, freed from restriction, will go ahead by leaps and bounds, and the needs of all will be amply supplied.

With production freed and the unnatural conditions of unemployment consequently cured, Free Trade will cease to be feared, and its great advantages to all will be recognized.

Then, with the principal cause of international antagonism removed, and with the peoples of the world freed from poverty and—through education—from prejudice, the occasion for wars will disappear, and the era of international peace and justice will begin.

UNHAMPERED COMMERCE.

Henry H. Hardinge.

Trade and cooperation are synonymous terms. No one can trade without cooperating; neither can any one cooperate without trading. They are essentially the same in function and object; they satisfy human desire with less effort than by any other means. The modern world is built upon trade. Civilization is based upon it, science is foundationed upon it, for when the expert in research work in the laboratory is giving his time and energy and brains to finding new facts or formulating new theories, someone else somewhere must produce the food, clothing, shelter and fuel which sustain him. Trade alone can do this; it is the most useful, forceful, virile, indispensable thing in the world.

Moreover, transportation is another name for trade, because you cannot trade anything without transporting it. A railroad is a huge trading machine, as is a steamboat line, and in these huge instruments of commerce science has worked some of its most far reaching revolutions.

In the days of Captain Cook and

Magellan, the world was very large; in the days of Columbus, still larger; today it is very small and steadily growing smaller, owing to the march of invention and the accomplishments of science. The very ends of the earth are tied together with wires and the islands of the seven seas are linked by Hertzian waves; and all of these wonderful achievements have but one object—the betterment of human conditions on the earth. None of these things can be realized without trade. The success of education depends upon it, the specialization of industry is impossible without it, and every one of the varied and multitudinous activities of the modern world is dependent upon it. Trade is literally the warp and woof of civilization, it binds it together in one vast and vari-colored fabric.

Nature is fanciful as well as prodigal with her gifts; she deposits coal here, iron there, copper elsewhere and all over the earth, on it and miles beneath its flowering surface she has deposited her treasures and man cannot get these things without transportation and trade.

Man in his quest for these things has linked the continents with steam bridges; he has gridironed the continents with ribbons of steel. He has tunnelled the mountains in places where it took eight years to find the original survey. He has dug copper from miles beneath the lake and mountain, iron ore he has transformed into tiny watches and mammoth shafts which turn the propellers of the world's argosies.

Out in the harbors of the world's great marts tremendous dredges dig down ever deeper to miss the keels and bottoms of the steadily expanding fleets of commerce of all the nations. Down at the Gaillard Cut titanic dredges battle with two sliding mountains which are now seeking revenge for their ruthless disembowelment at the hands of engineers and workmen who have spent years and millions in cutting an artificial artery between two continents so that the fruits of the tropics, the grain of the pampas, the fleeces of Australia, the phosphates of Chile, gold, silver and salt-petre of the Andes, the meat and skins of Argentine, the coffees of Brazil, the rubber of Borneo and the laces of France, the hardware of England, the steam turbines of Sweden and the toys of the Harz mountains, commingle in the vast network of commerce in the arteries of trade.

Outside of the province of trade, these things have no significance and no utility. Science, Chemistry, Me-

chanics, all blended in a common purpose, use trade as a common method, and the satisfaction of human desire as a common end. Trade is the universal solvent that melts the interests of the nations into a common and indispensable unity.

It is free trade a hundred times more than any other agency, in its unrestricted and continent-wide sweep, that maintains the political integrity of this union of States. If Europe had free trade between the states just as we have it here, a war between them would be just as silly as between the United States. If tariffs were erected around them today the "Union" would be impossible. Hostilities and reprisals would begin tomorrow, and in less than twenty years the United States of America would be a thing of the past. Free trade is the real cement that binds in unapproachable integrity the vast and intricate interests of this tremendous country.

The very existence of republican government on any extended scale depends upon free trade. It was this and this alone that cemented the various interests of the former independent states into the present Germanic Empire. It is free trade that has built and still maintains the British Empire as it stands today. England's wealth dates from the days of Cobden and Bright, her first real statesmen. In spite of these obvious facts, you can see today around the borders of nearly every country in the world a row of commercial pickets called customs officers and at every port of entry an army of them, hired by the government at vast expense. Their sole business is to harass, interfere with, and to prevent trade and defeat the very purpose of invention, which is to make things more abundant than they were before. Around the edge of our continent, we have erected a barrier called a tariff law that is higher, wider, deeper and more difficult for commerce to cross than all the rivers, deserts, oceans and mountain ranges in the world, and we call the men who have done these monstrously stupid things, statesmen.

They are authorized by governments to prevent the ship and train from exchanging cargoes, although these same intellectual ninnies pretend to be very anxious to extend our foreign trade and are equally anxious to limit our domestic trade. They are anxious to send wealth out of the country and are fearful that some wealth should come to us in return.

These economic troglodytes try to do in times of peace with tariffs what a cordon of battleships will do in time of war. What England is trying to do to Germany to injure her, our tariff advocates are trying to do to us to make us prosperous. Can economic insanity go farther than this? They think that you can make a nation rich by sending wealth out of it, and that you can impoverish it by bringing wealth into it. When we send more away than we bring back, they boast of "our favorable balance of trade." This silly notion is entertained by the majority of our merchants, our bankers, our captains of industry. Canada is today a striking example of the favorable balance of trade fallacy. She is sending out tens of thousands of her best able bodied men and she is bringing corpses and cripples back. The "balance of trade" is enormously in her favor. Her condition would be ideal from a protectionist standpoint if she sent all of her men and all of her wealth away and brought nothing back; her happiness would then be complete; she would have a 100 per cent favorable balance of trade. The notion that trade is a swindle is perfectly consistent with the doctrine of protection. The idea that the seller is benefited and the buyer injured is part of the same foolish doctrine.

The notion that the object of trade is to get rid of things instead of to get things is part of the same foolish, selfish, childish, illogical doctrine. A fair trade is a free one and a free trade is and ought to be a fair one. A fair trade is one in which all parties are benefited and none are injured. Mutual benefit is the keynote of trade. Men sell things, because they want to buy things and use them. They do not buy things because they want to sell them except as traders and merchants, and yet every protectionist in the world thinks that the reverse of this is true; it is flagrant denial of every known and demonstrated principle of commerce. It is the most pernicious doctrine in the world entertained by educated men. This nation has for nearly a century and a half been dedicated to the principle of freedom and upon freedom to trade depends nearly our whole civilization. If Europe cannot think her tariff walls away, she will have to shoot them away. She will have to choose between tariffs and war and free trade and peace. Tariffs and not "politics" are the real boundaries between the peoples of that unhappy continent.

We have partially achieved political freedom, religious freedom is safe, civil freedom is ours in large measure, but economic freedom is a long distance away; a powerful financial interest and a still more powerful superstition stands in the way, and it, like many other evils, wears a mask called "protection." It is simply another case where the livery of Heaven is used for sinister purposes.

It is a very far cry from the first enunciation of a great political principle until its final adoption; oftentimes centuries must elapse before it is accomplished. This is strikingly illustrated in our own history. Dedicated to liberty and for eighty years maintaining chattel slavery within our borders. Sworn to support the principles of freedom and denying millions of our women even to this day the right to participate in government. Swearing allegiance to Liberty's fair Goddess, building monuments to her and to the men who died for her and maintaining an economic condition where myriads of little children go to the shop and mill when they ought to be in school.

Apotheosizing Abraham Lincoln's memory and buying "blocks of five" with Mark Hanna's money and others of his ilk and sainted memory. What a vast medley of irreconcilable contradictions we are as a people, and what foolish things we believe even to this day,—modern writers are just beginning to hint at a few of them. People who make things and perform useful service do not need protection. All others do and the others are the only ones who get it. Real protection comes from useful service, and free trade performs more useful service than any other agency in the world.

Trade is like music, it speaks all languages, serves all men and many purposes and does it today under enormous handicaps imposed by ignorant politicians posing as statesmen. What will it not do for the human race, when trade, production, commerce and industry are really and truly free, as nature intended they should be? Trade is natural, tariffs are artificial. Trade does not have to be invented like tariffs, it should be free as the air.

The Single Tax will not give us all we claim for it without free trade. It must go hand in hand.

J. J. Pastoriza.

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Tariff Publications

Obtainable from the American Free Trade League.

Any of the numbered pamphlets sent on receipt of a two-cent stamp.

1. The A B C of Protection. N. Y. Evening Post.
2. Address on Free Trade. Henry George.
3. Wages and Protection. William Lloyd Garrison.
4. The Panics of 1837 and 1857. Hon. John E. Russell.
5. The Success of Free Trade. Sir Robert Giffen.
6. The Tariff the Mother of the Trusts. Byron W. Holt.
7. Protection and Trusts. Henry W. Lamb.
8. Trusts and Remedies. Franklin Pierce.
9. The Tariff and the Farmer. Archibald Cummins.
10. The Window Glass Trust. Byron W. Holt.
11. Tariff Responsible for Trusts. Lawson Purdy.
12. Whom does Protection Protect? Henry W. Lamb.
13. Tin Plates Again. Henry W. Lamb.
14. Reciprocity with Canada. Henry Loomis Nelson.
15. Tariff Trusts. Franklin Pierce.
16. Protective Tariffs and Public Virtue. Arthur S. Gilman.
17. Protection for Infant Industries Outgrown. Louis R. Ehrich.
18. Free Trade vs. a Revenue Tariff. Henry W. Lamb.
19. The True Remedy. John Norris.
20. The Paper Trust. John DeWitt Warner.
21. Ship Subsidy Trust. Cobden Club.
22. A Century of British Exports. Henry W. Lamb.
23. Appeal to Public Opinion. Dr. James H. Dillard.
24. The Lead Trust. George A. Macbeth.
25. Causes of Trusts. Thomas G. Shearman.
26. Protection and Patriotism. Prof. John Bascom.
27. Lowering the Tariff Wall. Harvey W. Scott.
28. Pressing the Trust Question. Hon. David A. Wells.
29. The Need of Reciprocity. A. B. Farquhar.
30. Free Raw Materials. J. B. Sargent.
31. The Fictitious Balance of Trade. Gen. Hazard Stevens.
32. Protection and Wages. Edward Atkinson.
33. Prices and Wages. Byron W. Holt.
34. Subsidies the Climax of the Protective Superstition. Louis F. Post.
35. Trust-breeding Protection the Enemy of Agriculture, etc. Hon. William H. Fleming.
36. "Fidelity to Property." Prof. John Bascom.
37. The American Farmer the Victim of Protection and Trusts. Franklin Pierce.
38. The Tottering Edifice of Protection. William Lloyd Garrison.
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48. The Wool Schedule. Hon. William C. Redfield.
49. The Fruits of American Protection. J. A. Hobson.
50. The Burden of the Tariff. Gen. Hazard Stevens.
51. Production and Distribution under a Protective Tariff. Hon. William Kent.

Protection or Free Trade. By Henry George. (Congressional Ed.) 5 cents.
The Whole Hog Book. ("Protection or Free Trade" in words of one syllable.) Illustrated. By J. W. Bengough. 25 cents.
The Tariff Manual. By Roger Sherman Hoar. Price 10 cents.
The Passing of the Tariff. By Raymond L. Bridgman. Cloth. One dollar.
The Free Trade Struggle in England. By M. M. Trumbull. 10 cents.
Complete set of the FREE TRADE BROADSIDE, 28 numbers. 50 cents.

"No laws are binding on the human subject which assault the body or violate the conscience."—Blackstone.

No man achieves anything worthy

until he learns the power of conviction. The world stands aside for the man who has a program, a mission, a calling to fulfil which he feels a throbbing compulsion within him to discharge.—Selected.

Editorial

We want to warn any protectionist into whose hands this BROADSIDE may fall, not to read the first article, by Mr. George Brickett.

Mr. Brickett, who is the author of "Tariff Teachers Cross-Examined" (for sale by this League at ten cents a copy), has marshalled such an array of logic and statistics that we do not see how any reader of it can continue to believe in "protection."

Of course the editor regards all the articles in this issue as convincing and valuable; and he is sure that readers will appreciate the high quality of the contributions; but Mr. Brickett's long study of the tariff question, and his many years of service to the League, entitle him to special gratitude.

Thanks are also due to the author and original publishers of "Jimmie's Infant Industry" for permission to use it, and to Mr. Richard C. Derby of Newport, R. I., for furnishing the copy of it.

From the reception accorded the first number of the revived FREE TRADE BROADSIDE it is impossible to escape the conclusion that many people regard Free Trade as a dead issue. The belief seems to prevail that since the passage of the Underwood Bill in 1913 free traders may well sit back and rest on this accomplishment.

There is no doubt that the Underwood Law represents a big step towards complete freedom of trade. The fact that the average rate of duty paid on all imports during the last quarter of the fiscal year 1915-16 amounted to only 9.58 per cent, as compared to an average of nearly 20 per cent collected under the Payne-Aldrich Law, perhaps justifies THE PROTECTIONIST in groaning about our present "free trade tariff." (Query: Does a "free trade tariff" resemble a blonde negro?)

In spite of this stride towards our goal, much remains to be done, and we believe that one of the greatest opportunities in the history of the League now confronts it. Before our great leader, the late William Lloyd Garrison, laid down the reins, he had assisted in the formation of an International Free Trade League; and, in spite of the disorganization produced by the war, we believe the great field for our work is now the international one. With the absurd and dangerous proposals of the Allies' Economic Conference of last spring still being

dinned into the ears of the public by hired editorial writers, we may well feel a thrill of enthusiasm at the opportunity to refute these fallacies and show to all who will listen the patent fact that restrictive tariffs are one of the chief causes of war, and the corollary that before peace can become permanent all custom houses must be abolished. Freedom of communication must also accompany this, and the BROADSIDE stands for both of these.

Members of the League have a splendid opportunity to spread this gospel and influence public opinion by circulating the BROADSIDE widely. One of the best ways to do this is to send it to libraries and newspapers. Your Secretary has lists of both of these; and for every forty dollars contributed he can send the BROADSIDE for a year to one hundred libraries where it will be read. Smaller contributions can, of course, be used in proportion. Who would not welcome such an opportunity?

Peace is liable to be declared at any time; and if hostilities should cease before the public opinion of the world has crystallized on this issue in the right way, our opportunity might be gone for a generation. As Mr. Bartlett said in our last number,—"It is time for the American Free Trade League to wake up and pray: 'Now I wake me up to work, I pray the Lord I may not shirk.'"

Both the Cobden Club of London and the French Ligue du Libre Exchange are awake and active. On another page of this BROADSIDE is an excellent condensed translation by Mr. Erving Winslow, of the French League's manifesto on the proposals of the Allies' Economic Conference; and the Cobden Club has published (with Messrs. G. P. Putnam's Sons in New York) a thorough exposure and refutation of these proposals (by the Allies' war statesmen) in the form of a book called THE NEW PROTECTIONISM, by our old friend, Mr. J. A. Hobson. We recommend both these statements to our readers.

If anyone has been tempted to believe any of the nonsense talked and written about the bogey of "dumping" after the war, a perusal of the following editorial from the New York EVENING POST will surely cure him:

"The complete answer to the argument that Wilson has kept us out of

war is supplied by the Republican National Committee and Hughes. The moment peace is signed there will break out in Europe a fever of manufacturing such as the world has never seen. Goods to be dumped on our shores will be produced more rapidly, more cheaply, more efficiently than this country can hope even to approach, and precisely because Europe will have had the advantage of three years of war and we shall not. That is the handicap which Wilson has imposed on American industry. We shall be forced to compete with a Germany stimulated by the loss of a million dead and three million wounded. We shall be compelled to meet the challenge of French industry brought to an unparalleled pitch of efficiency by the destruction of half the French factories and the annihilation of one-third its skilled workers. Our farmers will be under the necessity of competing against the Russian wheat fields stirred into unprecedented productivity by the disappearance of four million peasants. Against Europe leaping forth to the conquest of the markets of the world in the full glow of her ravaged harvest fields, her ruined mines, her demolished railways, and her disorganized finances, stands Defenceless America, without a single advantage in the way of casualties, invasions, exhausted capital, wasted harvests, ruined factories, and depleted shipping. Thus, by keeping us out of war Wilson has not only destroyed the soul of the nation, to the great agony of Mr. Roosevelt; he has administered the death-blow to our prosperity by depriving us of the mortuary lists, widows, orphans, cripples, blind, prematurely old, insane, ash heaps, ruins, shattered factory chimneys, torn up railways, demolished bridges, and depleted food stores, upon which alone the flourishing industrial life of a continent can be built up."

There are three species of creatures who, when they seem coming, are going, when they seem going, they come: diplomats, women and crabs.—John Hay.

Teacher—Harry, a mother has five children and but four potatoes. How can she divide the potatoes so that each will receive an equal portion?

Harry (quickly)—Mash 'em.—Harper's Weekly.

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NEW VICE-PRESIDENTS

Such marked changes have been made in the list of our Vice-Presidents since the last issue of the BROADSIDE that some mention should be made of them. Henry George, Jr., a worthy son of his great father, brought to a close his long and faithful service to the cause of economic freedom, and was released from a long period of invalidism.

Partly to replace Mr. George and

Messrs. Hill, McNiven and Cochran, the Executive Committee have elected Ex-Governor Garvin, the well-known liberal democrat, for Rhode Island, Senator Bucklin for Colorado, Tax Commissioner J. J. Pastoriza of Houston for Texas, and Mr. William Marion Reedy of St. Louis, editor of REEDY'S MIRROR, for Missouri. Every liberal thinker must rejoice that the League has secured such able and eminent men for its officers.

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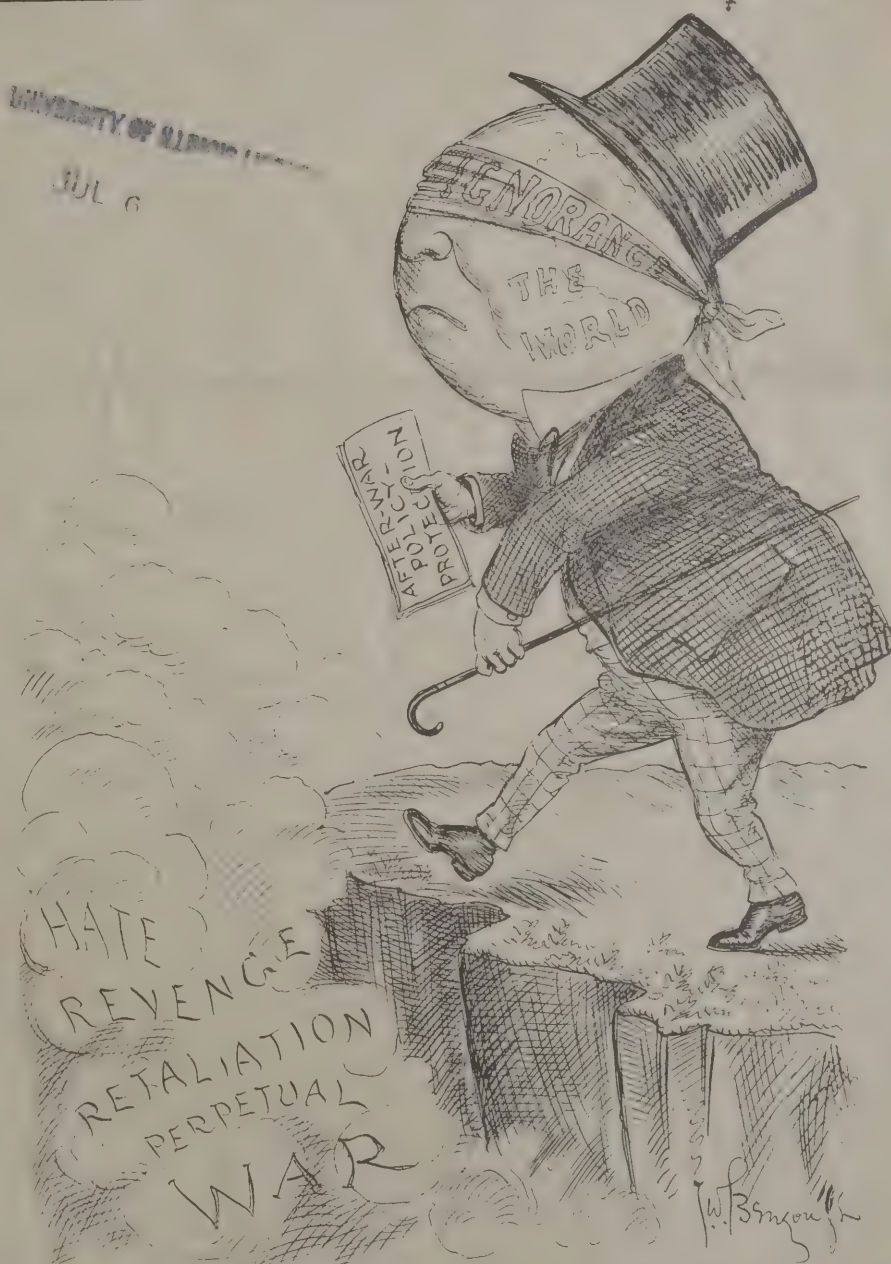
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Stop Him! But How?

The Economic Solution of the European Crisis

By Henri Lambert

[Editor's Note.—M. Lambert is a Membre Titulaire de la Societe d'Economie Politique de Paris and Fondateur de la Ligue du Libre Exchange, also of Paris. He has kindly condensed this article from his pamphlet of the same title.]

"The making of peace is to be desired and to be regarded as a blessing, when it can insure us against the suspicious designs of our neighbors, when it creates no new danger and brings the promise of future tranquility. But if the making of peace is to produce the very opposite of all this, then, for all its deceptive title, it is no better than the continuation of a ruinous war."—Guicciardini.

"No treaty of Peace is worthy of its name, if contained therein are the hidden germs of a future war."—Kant, *Essay on Perpetual Peace*.

In the present circumstances it is very difficult to preserve that international attitude of mind which alone can enable us to regard the questions at issue from the point of view of the general interests of Europe and of the world, without allowing ourselves to be influenced by the passions and prejudices that are inseparable from the particular interests of nationalities. And yet such a frame of mind is indispensable for anyone who wishes to have any prospect of finding in a just and permanent form that solution of the European problem that he is concerned to seek. Nor is it any the less necessary, if we restrict our aim to the search for a specific adjustment that can invite the careful consideration and the goodwill of all the parties interested.

The international situation of today is due to a series of special circumstances affecting the interests of nationalities. National psychology is a factor which has played in it a part the importance of which neither is nor can be contested. But the real "causes," the original and deep-seated causes, were of a far more general character, connected with the very nature and necessity of things.

The war will of necessity be followed by a peace, but the universal and permanent peace that each of the belligerents declares to be the supreme result to be attained by this war, will not be the achievement of superiority of arms, nor of skilful strategy, nor, alas! of the bravery of soldiers: these forces will only be capable of imposing a temporary peace, consisting in the subjection and oppression of the conquered. A

peace worthy of the name and worthy of true civilization will be the achievement of the thought of those who shall succeed in furnishing a conception of the mutual rights of nations, in accordance with true justice. Universal and permanent peace will be established upon the basis of justice—or never at all.

I.

True justice in international relations is before all and fundamentally a policy that favors the economic development of all nations, without excluding any. No doubt the production of wealth is not the supreme aim and object assigned to humanity, and economic prosperity can never provide the consummation of the edifice of human progress; but it does provide its foundation and also its material structure, and the right of every nation incessantly to consolidate and build up this edifice is inalienable. And since the growth of the material prosperity of nations is the necessary condition of their intellectual and moral advance—for we cannot conceive of true civilization as a product of poverty—their right to the fullest economic development compatible with the wealth of their soil and their own capacity for useful effort, is a right that is natural and indefeasible—a divine right. Now the economic development of a nation is inseparable from the constantly extending operations of its exchanges with other nations. Exchange is thus seen to be the main and the fundamental fact and the essential right in international relations. Every political hindrance to exchange is a blow dealt to international rights. Freedom of exchange will be the tangible manifestation and the infallible test of a condition of true justice in the relations between different peoples. And in default of this, international right—and peace, which stands or falls with it—will continue to lack a real and solid foundation.

Peace will be assured by law when nations realize and put into practice true international law, fundamentally characterized by freedom of trade, and susceptible of recognition by all because it will respect the primary interests of all.*

Until international law and international justice are thus one and inseparable, humanity will continue to experience only periods of more or less precarious peace, necessarily dependent upon the will and the interests of those nations that have the greatest force at their disposal.

We must not lose sight of the fact that, under modern conditions of war, only those nations that can command great economic resources can be very powerful in arms. Now it is certain that these nations will finally come to insist upon freedom of trade. Progress cannot be coerced; failing of its normal fulfilment through the agency of ideas, it would attain its realization by force.

Moreover, it is only freedom of international trade that can give to a nation's industries that stability and security of imports that is indispensable to them; whilst in the absence of such security powerful nations that are careful of their future neither can, nor should, consent to abandon the conception of economic prosperity guaranteed or protected by military power. Whatever objections may be urged to this conception, there is no doubt that the great nations and their governments will never consent to abandon it until international economic liberty and security are finally established. Tariff restrictions are the worst obstacles to the advent of that true civilization which will be marked by peace with disarmament. Such a civilization and such a peace will only be possible under the conditions of economic justice and security that will result from free trade.

Cobden said: "Free trade is the best peacemaker." We may confidently affirm: "Free trade is the peacemaker."

II.

The pacifists have not sufficiently insisted upon this truth, of primary importance, that economic interests are, to an ever-increasing extent, the cause and the aim of international politics, and that protection separates these interests and brings them into mutual opposition, whereas free trade would tend to unite and consolidate them.

For the vast majority of individuals, harmony of sentiment can only

*As we shall indicate later, freedom of trade will gradually simplify and facilitate, to the extent of making them at last perfectly natural, the

solutions of the difficult, and probably otherwise insoluble, problems that arise from the affinities of nations in race, character, and language.

arise from harmony or solidarity of interests, and whatever unanimity may exist between them, harmony of sentiment will not withstand for long the shock of antagonistic interests. Is it not inevitably the same with national sentiment?

"Immediately after the War of Independence, the thirteen United States of America indulged themselves in the costly luxury of an internecine tariff war . . . and, at one time, war between Vermont, New Hampshire, and New York seemed all but inevitable."* When the Swedes established restrictive tariffs against the products of Norway, the dissolution of the union of the two countries was predicted by Norwegians of high scientific and political standing; ten years later this prediction was confirmed by the event. Did not we see, some years ago, the vine-growers of the Aube determined to declare civil war upon those of the Marne because an attempt had been made to establish economic and protective frontiers between these two districts? Is it conceivable that, in the present industrial epoch, peace should continue, even for so long as half a century, between the English and the Scotch, between the Italians of the north and those of the south, between the Prussians and the southern Germans, between the Austrians and the Hungarians, between the French of the North and the French of the south, between the States of the American Union, if tariff frontiers were re-established between these groups?

It is the adoption of free trade within a nation's own borders that, by consolidating and unifying her economic interests, furnishes the real support and solid foundation of national concord and unity; it will be the adoption of free trade between nations that will have to accomplish the same work in the wider international sphere. We must, then, consider as a fatal error and one too widely spread, the idea that free trade can only be the ultimate result of a good understanding between the nations; the truth is that free trade is the indispensable preliminary condition of any good understanding that is to be permanent.

Yet, the predominant importance of protection or free trade in international relations lies rather in moral considerations than in material inter-

ests. It is due particularly to the fact that whilst protection, being national privilege and monopoly, is a manifestation of international injustice, free trade, being equality of opportunities offered by and afforded to all nations, is the very embodiment of international justice. And such justice and injustice are fundamental, since they apply to the fundamental relations between nations, bearing upon their material, vital, fundamental necessities. And further, the material interests of nations, in other words their physical interests, form the concrete substratum, indispensable and natural, for their intellectual and moral interests.

In order that international politics should be controlled advantageously, no longer by the material interests of men, but by their intellectual and moral aspirations, it would first of all be requisite that international methods of dealing with material interests should be at least tolerable. If men are incapable of dealing successfully with their international material interests, how can they be competent to deal successfully with their international intellectual and moral interests, which are so far more complex?

The pacifists have far too much neglected these realities of the ideal with which they are inspired, and it is this that explains, to a great extent, the ineffectiveness of their noble efforts. They have preached the spirit of conciliation in the policy of States toward one another, international arbitration, disarmament; but in so doing they have not been attacking the cause of all the evil. International, bellicose spirit and quarrels, armaments and even "race hatred" are in our day, and particularly amongst the great European nations, merely effects, of which the cause is to be sought in antagonism of economic interests, due in the great majority of cases to protection.

III.

It will not, however, be necessary, in order to bring about the beginnings of an era of universal and permanent peace, that every nation should embrace the policy of ideal economic justice that would be realized in complete free trade: it will be enough that three, or perhaps two only, of the most advanced and most powerful nations—England, Germany, France or the United States—realizing at length their true general interests, economic, social, and political, and drawing their inspiration from the principles of free trade—should adopt "tendencies" definitely directed towards commercial liberty and should

impress similar tendencies upon the policy of secondary nations, by example, by influence and, if need be, by legitimate pressure.

Hitherto, and especially during the last thirty years or so, the policy of the great nations, with the exception of England, has followed a course diametrically opposed to this. Taking as their guiding principles ill-will, jealousy, and self-interest—a self-interest, be it noted, grotesquely misunderstood—revealing an inconceivable misconception of economic truth, and a no less incredible folly, the great nations have not ceased to increase their efforts to secure isolation, mutual exclusiveness and mutual constraint by means of protective tariffs. The economic foreign policy of each nation consisted above all else in the attempt to apply to other nations a treatment, in the matter of tariffs, against which she would hasten to protest energetically and even, if need be, by threatening force of arms, when there was any suggestion of its application to herself. Such a policy, as logically inconsistent as it was unjust, was bound sooner or later—especially as it was applied in an epoch marked by an immense development of industries—to lead to a catastrophe.

Could the continuation of such a policy leave room for any hope of the advent of that reign of peace and good will among nations to which humanity aspires? It is at once logical and obvious that mankind can never hope for such a reign of peace until some at any rate among the stronger nations resolve, in their economic relations with other States, to conform to the maxim, which sums up all rules of conduct: do not do to others what you would not that they should do unto you.

Moreover, it must not be forgotten that in the sphere of domestic policy, protection is a system of robbery and impoverishment of the masses of consumers for the benefit of privileged minorities of producers; that it is thus based upon the spirit of injustice within the State, as well as toward other States; and that it would be contrary to the sound nature and sacred logic of facts, and almost blasphemous, to expect from such a political system that it should produce anything else but evil and disorder wherever it is put into practice.

Because she has failed, or perhaps because she has not sufficiently sought, to induce other nations to adopt the policy of liberty and justice, to which she has herself successfully adhere, Great Britain suffers with

*Mr. Oliver, quoted by Lord Cromer in a report to the International Free Trade Congress, of Antwerp (August, 1910).

them the consequences of their errors; for, as has long ago been testified, the rain falls upon the just as well as upon the unjust.

But the storm is one that never should have burst: it could have been, and ought to have been, prevented.

IV.

There never was, and in any case there does not remain, the least doubt that the true main motive for this war was the will of the Germans to conquer, at any price and by any means, what they have called their "place in the sun." From that will arose (at least, during the past twenty to thirty years) the development of the militarist spirit, of the armaments on land and on sea, and of the great conquering ambition of Germany; from that will is derived the present war.

Compared with the place occupied "in the sun" by Great Britain, by France, by Russia, by the United States, by Holland, by Belgium—and taking into account growth of population, of industry, of commerce, and the comparative value of the colonies—it must be recognized that Germany indeed occupies an almost insignificant part of the globe. Taking also into account this additional deplorable fact that all nations, especially the great ones, became, or threatened to become, increasingly protectionist, the secured markets of Germany must be considered as being comparatively even more limited than her territories.

It is true that an elementary understanding of Germany's true interests, both economic and political, ought long ago to have induced her rulers to adopt a free trade policy, by gradually reducing the barriers of her Zollverein, and inviting other countries to extend to her a similar treatment.* Had her rulers done this, how easy it would have been for them and how advantageous, in answer to the proposals for disarmament made to them from time to time, to insist that a great industrial nation cannot rest satisfied with precarious markets, and that there can be for her no dis-

armament failing economic security, the primary element of national security. Germany would thus have won the sympathy, the support and the eager co-operation of free trade England, as well as of Holland, Belgium, Denmark, Switzerland, and the majority of enlightened public opinion in all the nations of the world. But her rulers have not chosen such a policy of truth, progress, justice and Germany has clung to her protectionist, and therefore, militarist, error.

Did this attitude of Germany, clumsy and pitiful as it has been, make it any the less foolish and impolitic of other nations to expect her to accept as final the inadequate and precarious position created for her by her past history, as well as by her own political mistakes in the present day? Should not a true political wisdom, revealed in foresight and justice, have prescribed one of two courses: either that the other nations should agree to facilitate the formation by Germany of colonial dominions of her own, which a very intelligible pride and economic necessity alike prompted her so eagerly to desire, or that they should offer her stable assurances and compensations, capable of satisfying both her pride and her interests, by undertaking to throw open to her, if not their home markets, at any rate those of their colonies? It would, of course, have been understood that the German colonies should also be thrown open to free international intercourse.

Nothing was done in this direction. The plutocrats, the militarists, and the war party in Germany were left in possession of an almost imperative argument in their favor, and thus the other nations helped to maintain and embitter the spirit of conquest in the German people.

Economic mistakes, political blindness and rashness, an inadequate conception of international justice on the part of all the great nations and their governments,—such were the real causes of the cataclysm that is now overwhelming Europe and all mankind.

V.

Is it too late, or can it be too soon, for a general admission of guilt? *Errare humanum, perseverare diabolicum.* Instead of allowing the abominable and wicked work of ruin and extermination to continue, is it not the duty of the rulers of all nations, towards God and mankind alike, to use their best efforts for a reconciliation based upon truth and justice?

Their duty towards God,—for the Providential design for the perfecting of human progress, obviously in-

volves the association and co-operation of peoples as well as of individuals by means of exchange of services, and not their isolation, mutual exclusion, nor their suppression or subjection. Is not the interchange of the products of labor the natural primary fact from which all progress, all civilization directly or indirectly originate? Their duty towards mankind,—because men will become worthy to enjoy the peace of nations to which they aspire, when, under the guidance of enlightened and conscientious leaders, they have been permitted to grasp the idea of human solidarity, by the primary means of exchange, from which will spring the infinite ramifications of mutual service. Their duty towards mankind again, because it is in all those who are the noblest, strongest and best among men, and in all that is most valuable and most useful in things, that is to say in the objects of its legitimate pride, its affections, and its hopes, that mankind is threatened.

And besides, why continue the sacrifice of countless victims and the adding of ruin to ruin? It is exceedingly probable that, in spite of incalculable sacrifices of men and wealth on both sides, there will be in this war neither conquerors nor conquered: Germany will be restrained, she will not be crushed. There will have to be "an adjustment."

And it is better that it should be so, for war can no more be definitely conquered by war than oppression by oppression, injustice by injustice, evil by evil:

There will have to be an adjustment: it will be necessary to agree to mutual concessions in satisfaction of the main legitimate demands. And there will have to be an effort to make this adjustment final, with a view to a universal and lasting peace.

The writer of these lines believes that he has shown that it would be advantageous and politic to assure Germany a more stable economic position. He believes, also, that he has proved that there can be no permanent peace failing the adoption of a policy inspired by justice in international economics, and thus "tending" towards freedom of commerce, to find its consummation in universal free trade.

A final adjustment that will make for permanent peace involves, then, in the first place, agreements sanctioning the removal of tariff restrictions between the belligerent countries—or at any rate the gradual lowering of tariffs, with a guarantee to all of equal and reciprocal treatment.

*How can it be explained that the German savants and leaders have not realized that Germany owes her powerful economic development not to the system of protection, but in great part to the system of free trade established between twenty-nine States formerly separated by customs frontiers, numbering half a century ago less than 40,000,000 inhabitants, and today nearly 70,000,000 free trade producers and consumers?

All other reforms that are the objects of legitimate national hopes or intents must, in order to be profitable, be the consequences or corollaries of an equitable economic adjustment.

Such an adjustment of tariffs would also be imperative if, contrary to all probability, this war should end in crushing defeat for one or other of the adversaries—a supposition necessarily involving the sacrifice of twenty, thirty, fifty millions of human lives, on the field of battle, in towns and country districts, by wounds, by sickness, and by privation—involving, too, the destruction of incalculable artistic and economic wealth, and probably, alas! the annihilation of innocent Belgium,—which will not be the least of European crimes.

Let us suppose, indeed, that the victors impose upon the vanquished an inequality of tariffs that places them in a position of economic inferiority, and that mankind thus reverts to the system of national servitude in a modern guise. Is there any man of foresight or indeed of simple common sense who thinks that it is possible to reduce to servitude and keep in that condition, under whatever form or by whatever means, nations of which some comprise even now, and the others will comprise within a century, hundreds of millions of individuals? Certainly not half a century would elapse before, the whirligig of time bringing its revenges, the oppressed would take advantage of fatal dissensions among their oppressors—for how many alliances last half a century?—and reverse the positions with the acclamation of all the peoples that have remained outside the present conflict and its results.

Looking at the matter exclusively from the point of view of the victors, whoever they may be, the only wise and far-sighted policy will be that which has ever been the best: to be just, to live and let live. Apart from the imposition of just war indemnities, nothing durable and advantageous and compatible with subsequent peace could be done beyond

*It is worth while to emphasize the fact, too much overlooked by manufacturers and merchants, that the abolition of import duties would be the only reasonable and effective method of suppressing that act of war applied to industrial competition, known as "dumping," for which German industries have been justly blamed.

imposing upon the vanquished the obligation to abolish or reduce considerably their customs duties, whilst granting them fair reciprocal treatment.*

If we have proved that the original cause of the present war was economic, that it can be ended satisfactorily only by an economic adjustment, and that such adjustment could be introduced at once, have we not also proved that it would be criminal to continue the work of ruin and massacre? Is it conceivable that for the sake of securing a war indemnity the English, Germans, and French should demand the sacrifice of countless more lives of their sons and their brothers?

VI.

The system, no less absurd and inconsistent than unjust, of mutual economic isolation and exclusion between nations, vigorously and widely adopted in the last thirty years or so amid the utmost development of industrialism, was the substantial, deep-rooted, and ever-present cause of European dissensions and of the terrible conflict of the present time.

A really effective peace movement must undertake to remove this disturbing cause.

But no doubt it would be a task impossible of realization, especially in the midst of the struggle, to rid Europe, at a blow, of the whole mass of obstacles, consisting of tariff laws, restrictions, and prohibitions, which make it impossible for her peoples to be united and consolidated (even in spite of themselves) by an indestructible network of economic interests. Besides, every undertaking must have a beginning.

Now despite appearances and superficial incidents, the question of colonial outlets—of a "place in the sun"—has hardly ever ceased to be the central factor in Germany's legitimate anxieties and the nodal point of all complications that have arisen.

It is then the colonial system that should be the first object of reform—not only because we should then be dealing with the real cause of the difficulty, but because it is precisely on the question of the reform of their colonial administration that the nations would soonest and most easily come to an understanding.

A CONFERENCE, IN WHICH ALL THE NATIONS OF THE WORLD SHOULD BE INVITED TO PARTICIPATE, SHOULD BE SUMMONED AT ONCE (in a neutral country and under favor of an armistice which appears to be possible for such a pur-

pose), ENTRUSTED WITH THE TASK OF MAKING AN AGREEMENT BETWEEN ALL COLONY-HOLDING NATIONS THROWING OPEN THE COLONIES OF ALL TO THE FREE TRADE OF ALL.

This conference would further set before itself the object of reaching a second agreement, by which as large a number of nations as possible would bind themselves to a gradual reduction in the tariffs of the mother countries.

(This reduction might, for example, take place at the rate of 5 per cent. per annum, without, however, any "obligatory" fall in import duties below 50 per cent. of what they are at present. Example and results would be responsible for the rest. We suggest here that no measure would be better calculated for creating international good will and good faith, for arriving at an early, and ensuring a durable, peace, for giving a certain guarantee for the future welfare and progress of mankind, than would be an immediate reduction by Germany of 50 per cent. of her customs duties in agreement with Great Britain for the continuation of her Free Trade Policy. Is it too much to expect from the United States that they should in conjunction therewith adopt an international economic policy more worthy of a truly human and Christian civilization as well as of a young, vigorous and great nation endowed with the largest, richest and most generous territory of the world?)

Both agreements—that affecting the colonies and that affecting the mother countries—should be concluded for a period of at least fifty years.*

The colonial agreement would apply not only to present, but also to future colonies; this would give it its full value and would remove a great danger of subsequent dissension.

The throwing open of the colonies to international freedom of trade would not necessarily mean the immediate abolition of all colonial tariffs, but it would imply the immediate extension to the commerce of all nations of identical economic treat-

*It is extremely irrational and dangerous, and moreover contrary to sound law, to conclude international agreements *ad aeternum*, that is to say, without any limit. Such agreements, like all contracts, should be made for a definite period and renewable. They will thus have a greater precision of meaning and will involve a more formal obligation. An international treaty without the stipulation of a period involves the mental reservation *rebus sic stantibus*.

ment in all colonial markets, that is to say, the suppression of exclusive and privileged "spheres of influence" and the adoption of equality of general economic opportunities or the system of the "Open Door." England would thus have to surrender and refuse for the future the preference granted her in Australia, Canada, and South Africa*: in doing this she would only be following the example of Holland, which has refused any preference in her colonies for her home products. On the other hand, France, Germany, and the other nations would throw open to British activities their colonial territories—and this applies to territories which are four times as large as Europe, and in which trade and industry are all the more capable of development, because, under the restrictions of privilege, they are at present relatively insignificant.

The objection may be urged to the system of freedom of trade—and also to that of equality of treatment in the matter of tariffs and economic opportunities—that these systems might prove unfavorable to the interests of poor or less wealthy colonies, some of which necessitate constant sacrifices on the part of their mother countries: for if the latter no longer derived any direct advantages or compensations in return for their sacrifices, they might neglect such colonies. But it is easy to conceive some clause in the colonial agreement, stipulating that the whole or some part of the expenses of the mother country should be redistributed among the nations in proportion to the amount of their respective trade with the colony concerned. The natural result of this would be a system of co-operation, with a control which would be the best guarantee for the coupled profitable employment of the money spent and for the good administration of the less prosperous colonies.

Such a system would in every respect be the equivalent of the internationalization of the colonies—without its disadvantages and its difficulties—and it may be proposed as a method of just and loyal association or co-operation of all nations in the universal work of colonization.

Finally, these two agreements—affecting respectively the colonies and the mother countries—would be the decisive step in the direction of uni-

versal free trade and peaceful industrial civilization.

Need it be pointed out that the great lesson in justice and civilization that would result from such an adjustment on pacifist lines, would be calculated to make a profound impression in Germany, where, after all, men with minds capable of embracing anew ideas of liberty and justice remain in a vast majority? And it would be calculated to detach, in her foreign and domestic policy alike, the liberal and democratic parties, as well as the most clear-sighted of her manufacturers and merchants, from the parties of plutocratic reaction and militant imperialism.

We have said, but we do not hesitate to repeat, that it is not by force that the spirit of militarism and of conquest can finally be overcome: It can only be by the adoption of the principles of truth and justice in international politics.

VII.

The author of the present paper has had two objects in view: to provide a theoretic formula for universal and permanent peace—that is summed up in the term free trade—and also a practical formula, resulting from it, for the adjustment on pacifist lines that is desirable at the present time and that is capable of leading up to such a Peace.

But he cannot allow himself to be reproached with having apparently overlooked or neglected the question that has the most powerful, the most legitimate and the most sacred hold upon the hearts of his compatriots and their friends: the question of the fate of Belgium.

We have said that an "adjustment" is inevitable, that is to say, a many-sided agreement embracing equitable concessions on both sides. But no peace and no adjustment are possible,—nor desired, by any Belgian,—that do not involve the restoration of Belgian territory.

Equitable moral compensations and material indemnities will be due, moreover, to this nation, the victim and the martyr of the errors and quarrels of her powerful neighbors.

In the interests of future peace the question of Alsace-Lorraine must also receive a solution. But here we must not overlook the legitimate interests of the inhabitants of German origin, who form a very important part of the population of these districts. Nor must it be forgotten that many of the inhabitants of French origin had abandoned the idea of reunion with France on the condition of satisfactory and radical alterations in

the Reichsland statute. Is it impossible to conceive in these provinces a government independent or autonomous satisfying every legitimate interest, aspiration and feeling, whether French or German?

The author asserts his belief and indeed his conviction that the two questions of Belgium and Alsace-Lorraine can be easily solved by the economic agreement which he proposes, and which he considers calculated to satisfy the legitimate demands of Germany.

It is appropriate to emphasize here the general truth that freedom of international commerce will greatly facilitate and simplify the solution of the complex and delicate questions arising from racial affinities. This superior condition of economic civilization by giving henceforward to all peoples the assured and unrestricted means of exchanging their goods as well as interchanging their ideas, would remove the main, and perhaps the sole real remaining, reason for war. What real interest would there remain for organizing huge empires embracing numerous people and vast territories, if from every point of view security were established? What grounds would then remain for refusing to loosen or abolish the ties of a dependent position that would have either remained or become distasteful? With freedom of commerce, the nations would soon come to recognize that all the advantages that they hope to obtain through territorial expansion, through the conquest and subjection of other nations, are found, with no risks and no drawbacks, in the stability and security of relations. Such a system alone admits of the permanent reconstruction or preservation of those "natural nationalities," whose aspirations are amongst the noblest and most legitimate of our era; for the principle which they embody, as has been brilliantly proved by Novicow (*La Question de l'Alsace-Lorraine*), is at the basis of the international as well as of the national and social order.*

*We have not dealt specifically with the questions of Poland, Italia-Irredenta, the Balkan States, the Bosphorus, Asia Minor. But it is easy to see that not one of them can be solved in the interests of the populations concerned, of Europe as a whole and of the world, if not in the way suggested by the principle of freedom of trade. Just as the economic and fundamental interests of Alsace Lorraine need continuation of free relations with Germany, so do

*The British autonomous colonies should necessarily participate in a conference and in any agreements as independent States.

those of Poland need it with Russia, those of Italia Irredenta with Austria. The Balkan States need absolutely free economic intercourse between themselves and with their great neighbors. The Bosphorus and Asia Minor must be open to the commerce of the whole world. Those would not be satisfactory nor definite solutions which would sacrifice the fundamental interests of all those countries to the artificial combinations and futile considerations of national "greatness," pride and power.

VIII.

A study of the European question cannot ignore the question of armaments, upon which it may certainly be noted that it is an extraordinary delusion, indeed an inconceivable blunder to suppose that by the suppression of armies war would be suppressed and that to assure peace a beginning must be made by suppressing armies and "militarism." Is it not simple common-sense truth that, in order to be able to suppress armies and militarism, we must first of all suppress war—that is to say, we must create a position of international security?

Treated illogically, the question of disarmament, or of mere limitation of armaments, is inextricably complex and calculated to raise the most dangerous difficulties, not only between belligerents who would be in a fair way towards a pacifist adjustment of their differences, but also between belligerents and neutrals, and between nations in actual or prospective understanding with one another. But the question could be readily solved, either by agreement, or perhaps by simple natural causes, so soon as it were attacked logically. Obviously this question can only follow upon that of the organization of international security, which will tend to become identified with economic security, as mankind completes the transition from military civilization to true industrial civilization. Disarmament will be the logical and natural consequence of the establishment of economic security between nations.

The same will be true of compulsory reconciliation and compulsory arbitration between nations, which will then become acceptable and will be quite naturally accepted.

Students, statesmen, and pacifists have far too much overlooked the fact that the evolution of human progress has constantly and increasingly been influenced by the economic

conditions of each epoch. Henceforth political science must draw its inspiration more and more from the data of economic science, which deals with human relationships in conformity with the nature and necessity of things—that is to say, reverencing natural truth and justice. For, humanity being part of nature, its evolution and its history are controlled by natural laws, indistinguishable from the Will of Providence. Amongst natural laws, those of economics, practical and basic rules of life for individuals and nations alike, are the most important to observe in politics, if it is desired to avoid the shocks and disturbances that periodically convulse societies and empires.

Mankind in Europe seems to have reached the decisive turning-point of its history. Material progress at an excessive and abnormal rate, not balanced by the requisite progress in the sphere of morals and philosophy (a defect, of which the primary cause can be determined), had created entirely artificial conditions of social and international life, which were weak and unstable in the extreme. In the sphere of international relations, the wishes of a faction, the discontent of a monarch, the rashness of a minister, the excesses of a mob, were sufficient to disturb to an alarming extent the delicate balance of the tremendous opposing European forces and to endanger a civilization which, though apparently extremely advanced, was in reality merely fortuitous. The problem is to give cohesion, stability, and unity, in foundations and superstructure, to a world socially and internationally chaotic.

We are not here concerned to deal with the social problem; it is the international problem that is urgent. Now whatever politicians and pacifists may have thought, the preservation of economic frontiers (the direct international consequence of lack of equilibrium between utilitarian and philosophic progress), has been the main obstacle to the realization of intellectual, moral, and social unity in Western Europe. The European Confederation that is the dream of some thinkers, would be possible, it will be admitted, only if tariff frontiers were removed; but if these are removed, the political federation of the States of Europe is no longer needed. The unique and fleeting opportunity is now offered of laying the first free trade foundations of a CO-OPERATIVE federation of the nations of Europe, which would mark the beginning of an era of boundless economic

and social progress, as well as the advent of universal peace.

The Romans had conceived the idea and the hope of a permanent "Pax Romana." The emperors of mediaeval and modern Germany have cherished themselves and fostered amongst their peoples the ambition of a "Pax Germanica." No doubt many friends and admirers of England would ardently desire a "Pax Britannica." But Truth and Justice, the eternal twin forces that bear sway over mankind, will never rest content till men attain to the "Pax Oeconomica."

COMPETITION.

George Brickett.

There is no competition in farming, mining or manufacturing. Two factories may be established, each having a capital of \$100,000, and each manufacturing the same grade of goods. One may pay more for raw material, wages, etc., than the other pays. They are not competing as manufacturers, and they can continue to manufacture until their capital is goods which they must sell in order to manufacture more goods. When they offer their productions for sale they, as "traders," become competitors. One may offer an article for sale at one dollar while the other cannot sell, at a profit, an exact duplicate of the article for less than \$1.25. They are then competing as traders and it is evident that the one who offers the article for one dollar will be the successful competitor in trade.

Now, if Congress should enact a law requiring the successful competitor to pay the government a tax of 50 cents on each article he sells for \$1, thus forcing him to advance his price to \$1.50, while there is no tax imposed on the trader whose price is \$1.25, it is evident that the successful competitor when unhampered by law will become unsuccessful under the law.

If the two factories stood side by side in the United States, the people, the buyers, the consumers, the voters would not stand the punishment inflicted by the law, and Congress would be directed by a heavy majority of voters to repeal the law immediately. If, however, one of the factories is in the United States and the other is in a foreign country, the same voters who have to pay one trader \$1.25 for an article that another trader would sell for \$1, direct Congress to tax the latter out of business as a trader and thus protect the

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NATIONAL BUSINESS MEN'S FEDERATION

PRESIDENT
LESLIE M. SHAW
EX-SECRETARY OF THE TREASURY

8 WEST 40TH STREET

CHAIRMAN OF GENERAL BOARD
FREDERIC E. KIP
MERCHANT AND MANUFACTURER

NEW YORK

December 13, 1916

Gentlemen:

A short time ago we sent you a comprehensive tariff booklet. We now send you an article: "'The Nation's Wealth'", and call your special attention to two points in this article which are of vital importance to the business and property interests of the country.

1. The wealth of this country is derived from our two great productive agencies, viz.- from our land (farms, forests and mines) and from our factories. Notwithstanding this fact, in our last Congress (63d), only 10% of the House and Senate were business men, manufacturers and farmers, whereas the representation of corresponding classes in France, England and Germany was 42 1-2%.

2. Many of our college professors are teaching their students the fallacious doctrine of free trade as a fundamental economic truth, and often socialistic tendencies among the students are encouraged.

The boy of today is the man of tomorrow, and the results of the teaching of free trade and socialism in our colleges are and will be most detrimental to the interests of the country. This Federation intends to present every few months to each college student in this country and to the principals and teachers of our public and other schools a short, crisp argument, setting forth business truths and tariff facts, and at least once a year Governor Shaw, President of the Federation, will expect to give a lecture in each of the principal colleges. The importance and desirability of this work can well be estimated when you consider that we have in our colleges alone over 100,000 students.

The Federation will also carry on, as it has been doing for the past two years, additional campaigns of education of a nature calculated to induce the people to elect more Congressmen and United States Senators having the business man's viewpoint.

On the back of this letter will be found the names of the members of the General Board of the Federation, and among them you will no doubt find the names of men whose business standing is known to you, and in whose judgment you have confidence.

There is no work of so great importance to the business and property interests of this country as that which the Federation is undertaking, and it should be a privilege for all corporations and firms interested in the welfare of the country to co-operate with subscriptions. As the work is economic and educational, corporate and partnership subscriptions are legally proper and are solicited. We enclose a subscription card and stamped return envelope, and request you to sign and return the card at once. Call will not be made for payment until January or February next.

Very truly yours,

Frederic E. Kip,

Chairman of General Board.

**WHAT DO YOU
THINK OF THIS?**

TURGOT AND THE FIGHT FOR FREEDOM.

By Frank W. Garrison.

Among the events overshadowed by the outbreak of the war was a meeting of the Paris Society of Political Economy to dedicate, in the courtyard of the Laennec hospital, a monument in memory of Turgot, who was buried in the chapel of the hospital, at one time known as The Church of Incurables. The monument is crowned by a bronze bust of the great economist, a replica of the contemporaneous marble by Houdon. An allegorical figure stands beside the shaft, a sheaf of wheat in her arms, and her eyes raised to Turgot's smiling countenance. Senator Du Pont, through whose assistance the memorial was made possible, arrived on July 27th expecting to take part in the exercises, but he had to hasten back to America, and guests from other countries were prevented from coming by the catastrophe of 1914.

The principal speakers were Yves Guyot, president of the Society, and Alfred Neymarck, author of an important work on Turgot, who described his discovery of Turgot's coffin in the chapel of the hospital. It was pointed out by M. Guyot that there are always to be found two conflicting forms of competition—political competition, which interferes with production for the benefit of a system of privilege and spoliation; and economic competition which would establish liberty and security so that the maximum result may be obtained with the minimum of effort.

It is a common fallacy to suppose that one man's gain is another's loss. Turgot showed, on the contrary, that every trade benefits both buyer and seller, for the exchange is not made until each attributes a greater value to the thing he receives than to the thing he gives. The pseudo-economists who, ignoring this truth, denounce competition, are driven to the expedient of fixing arbitrary wages and prices. But the ramifications of trade are so complex that omniscience is needed to determine the value of things and services, while governments are still human in spite of the attempt to cover them with the mantle of divine right which once adorned the shoulders of kings and emperors. Although the law of supply and demand is not of human invention, it is entirely competent to secure justice if competition is set free by the removal of privileges and monopolies. Protection (trade mon-

opoly) destroys the efficiency of foreign competition as a means of determining prices, and land monopoly destroys the efficiency of domestic competition as a means of determining wages. With free competition there would be no such thing as "excess profits," for, as Turgot said, "In a nation where commerce and industry are free and active, competition fixes the profit at the lowest possible rate."

Hysteria from maddened Europe has proved contagious, and the victims of this dangerous malady are calling violently for human sacrifices. Their false god is the State and their high priests are the leaders of government. It becomes, therefore, important to repeat that the only deity worthy of respect is a God of all humanity, and to insist that the State is an entity whose wisdom cannot exceed that of the human beings who compose its members.

Turgot's warning to his contemporaries is a warning to us. "We forget," he wrote, "that society is made for individuals. Justice for all is the common interest, the interest of each individual and of society. The interest of nations is nothing but the interest of their individual citizens." He did not look upon the State as a superior being able to impose an arbitrary happiness upon the people, but contended that "the common good ought to result from the efforts of each individual for his own good. What the State owes to each of its members is the destruction of the obstacles which hinder them in their industry or disturb them in the enjoyment of its fruits."

The *laissez faire* theory is a target for orthodox economists and emotional reformers alike, because it is supposed to sanction all kinds of inequality and oppression. But, rightly understood, it means a restoration of free competition by abolishing legal privilege. It offers a practical method of attaining the ideal which haunted Wordsworth when he wrote:

What is a State? The wise behold in her

A creature born of time, that keeps one eye

Fixed on the statutes of eternity,

To which her judgments reverently defer.

COMPETITION

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sale at \$1.25 and bring prosperity to one trader.

Voters are fearfully and wonderfully made.

LECTURE BY BENGOUGH.

Mr. J. W. Bengough, the famous "chalk talk" lecturer and author of "THE WHOLE HOG BOOK", spent a week in Boston in the early part of February, lecturing under the auspices of the American Free Trade League. The members of the League who live in the neighborhood joined with the members of the Massachusetts Single Tax League in giving Mr. Bengough a dinner at the Twentieth Century Club on the evening of February 9th. Mr. William Lloyd Garrison, Jr., presided, and introduced Mr. Bengough in a very graceful speech, in which he recommended that Free Traders and Single Taxers unite.

Mr. Bengough illustrated his lecture with colored drawings whose humor brought forth many spontaneous bursts of laughter. A summary of his lecture follows:

The average American citizen, though he regards "Freedom" as the choicest word in the dictionary, does not believe in its application to trade. Free Trade is to him anathema. The doctrine to which he is wedded is the "protection of native industries," and it is his conviction that such protection can only be given by means of a tariff on imported goods. He believes in Protection because he is sure that free importations would result in the destruction of American industries.

While he so earnestly holds this belief, it only refers to trade outside the territory of the United States. Within that domain he is a thoroughgoing free trader, so far at least as exchange of commodities is concerned. He would not think of tariffs between the States composing the Union, but against all outside nations the tariff is essential; it is the only thing that saves American commerce from ruin.

Trade is the outcome of man's nature; he has been created a "trading animal;" national boundary lines and flags are arbitrary things made and maintained or altered by statesmen. Men would trade just the same if there were no national boundaries in the world, or if they were twice as numerous.

And there are two things essential to every nation, viz., Revenue and Trade. Revenue is the food of the body politic and trade is its blood circulation.

The man who would endeavor to live without food, or who, having a sufficiency of food, would seek to improve his health by impeding the circulation of his blood with bandages and ligaments, we would regard as being below the average in common sense.

The tariff-protectionist acknowledges the necessity for a revenue, but he believes it can be best obtained by a system which interferes with trade. He can have both if he will give up his tariff plan and adopt the bounty system instead. By bounties much more effective protection could in fact be given to native industries (and to all of them, instead of merely a few), and that without increasing the cost of goods.

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THE SUPERSTITION OF "DUMPING."

By Lee Francis Lybarger.

Author of "The Tariff: What It Is,
How It Works, Whom It
Benefits."

These are days of "brain storms," hysteria, and mental panics, caused by an unreasoning, irrational fear of foreign invasion. The larger part of the thought expressed in newspapers, magazines and congressional speeches represents such a development of hysterics, such abject, cowering fear as would have been inconceivable of the American people three years ago. Yet here it is—unbelievable, humiliating, but true. This epoch will go down in the record as the most unheroic and cowardly in our history.

Moving picture films throughout the length and breadth of the land have been actually terrifying our otherwise intelligent millions by showing how New York, Boston, and San Francisco can be, and probably will be, blown to atoms by high explosives in the hands of foreign invaders. Great flocks of aeroplanes are exhibited in the work of destroying our inland cities and villages. Desolation, annihilation and ruin are to follow in their wake, "and leave not a wrack behind."

Our great department stores are to be pillaged and burned. The vaults of our great banking institutions are to be looted of their gold. Our skyscrapers will be blown to fragments. Railroad tracks, bridges and tunnels will be but wreckage. Our great world with the necessities of life, are to be dismantled, dynamited—destroyed. Even our mines, through the destructive effects of powerful explosives, are to be left but smoldering ruins. And all this we are told will come through lack of military "preparedness."

And the proof of it all, the only proof offered—in short, the only proof needed—is the fact that the people have actually seen it done with their own eyes—in the "movies."

Nor does our lack of "preparedness" end here—so we are told. As we are not prepared for war, neither are we prepared for peace! And so there is another picture, another form of disaster, which these "patriots for profit" are painting for us. But this is to occur, not in the political but in the industrial realm. Our political institutions may survive the shock. But our industrial institutions—God help us! I refer to our alleged lack

of industrial "preparedness." And by this phrase is meant nothing more serious than our lack of a High Protective Tariff.

In tones trembling with alarm we are told that scarcely will the last gun have been fired in the great war, and even before the treaty of peace has been signed, a sudden change will be experienced in our present prosperity. Gradually will the hum of industry cease. A deadly pall will invade the marts of trade. The glowing spirit of confidence and adventure will be frozen in men's veins, and a paralyzing fear will take its place. Our factories will still stand, it is true, but one by one will their whirling wheels stop and the black smoke of industry and prosperity will no longer roll from their towering chimneys.

The baleful influence will gradually fill our mines as if with poisonous gas. The fateful spell will invade our great industrial centers and they will be as places of the dead. Our "hives of industry" will be no more. Even our great agricultural activities will subside. The plow will rot in the furrow. Our "cattle on a thousand hills" will vanish as if blown by the breath of death. One by one will our hundreds of freight trains be sidetracked, there to rust and decay, because there will be no freight to haul. And our despairing millions of starving, ragged unemployed will roam the streets of our great cities, crying for bread.

And are these dire results to come from some military invasion of our beloved land? Not at all, but from something more hidden, potent and disastrous. This awful disaster is to come, not from a military, but from an industrial, invasion.

In order to bring about this great disaster, this great industrial cataclysm, no foreign fleet need be anchored in our harbors. No invading army need desolate our land. But the desolation, stagnation, and ruin will come just the same—so we are told. It is an uncanny, gruesome, subtle, baleful thing even to describe. Protectionists have exhausted the vocabulary of mystery and fear in order to portray it. But it will surely come—at least so our "patriots for profit" tell us. But how? Why? Wherefore?

The explanation is at hand. I admit that it is not rational, that it is not sane. But it is clear, vivid, alarming. Here it is: The mighty

avalanche which is to overwhelm our industries, because of our alleged lack of tariff protection, will come through the same dreaded fact of foreign invasion. But in this new form of invasion and conquest the invaders will employ the weaponry, not of the sword but of Trade! Instead of the invading ships being loaded with foreign soldiers, they will be loaded with something equally disastrous to our general welfare—foreign goods, the necessities of life.

In imagination we are asked to picture great squadrons and flotillas, laden with the products of the "pauper" labor of Europe, Asia, Africa, and the distant islands of the sea, all bearing down upon our defencelessness—because inadequately tariffed—shores, and deluging our markets with their foreign wares; thus overwhelming, crushing, smothering and drowning out our great industrial establishments. That is what is to happen to us "after the war." And that is the way it is to happen.

It seems perfectly reasonable to the protectionist brain that the now war-mad, but soon to become work-mad, populations of Europe will do this very thing. But why should they do it? What would be the motive? No matter. The protectionist never seeks causes. If he did he would not be a protectionist. He says, quite truly, that the mere fact that they never did this in the past is no proof that they will not do it in the future. And it also seems equally reasonable to him that in the midst of such overwhelming abundance, our own population could do nothing else but hunger, freeze and die! Irrational, say you? Certainly. But so is protection.

Nor would this disastrous "deluging" of our shores with foreign goods end with a single "attack," with a single "invasion." They are to come again and again, year after year, piling upon our markets such huge stores, such vast volumes of food, clothing, fuel, lumber, machinery, household goods, etc., that naught will remain of our once mighty industries that amazed and supplied the world. They will decay from disuse. For why keep them up when foreigners would supply us free? Who would work when some foreign "enemy" was willing to supply him his necessities even without the asking. In fact, we are told that they will actually "force" their goods and products upon us.

Some one may insist that by "dumping" protectionists do not mean a

donation. Well, they either do or do not. Which is it? There can be no middle ground. By "dumping" must be meant either that they will give us their goods, or else that they will trade us their goods. In either case, where is the harm—to us?

Again I repeat that foreigners who "dump" goods on us "after the war" either will, or will not, demand our own goods in return. If they do not, if they are so good as to actually donate hundreds of millions of dollars' worth of their products to us every year, where would be the harm—I mean to us? What is there about abundance that would cause scarcity and starvation? Will some one tell us?

If, on the other hand, they do demand our own goods in return, dollar for dollar—in other words, if by "dumping" protectionists mean not donating but importing—where will be the harm from that? Importation means trade—"the exchange of goods for goods." But there is nothing new or disastrous about trade. It is a process that has been going on for centuries. For tens of thousands of years mankind has been importing foreign goods and exporting their own goods in return. But this has never thrown labor out of employment. It gives employment to labor.

You cannot import without exporting. Every dollar's worth of imports demands a dollar's worth of exports. Therefore, the consumption of foreign goods does not throw labor out of employment. On the contrary, it gives employment to labor. We now know by actual experience that supplying goods for our export trade as effectively gives employment to labor as supplying goods for our home trade.

Foreigners will not "dump" goods on our shores unless we "dump" an equal quantity of goods on their shores. I wish they would. They will not "deluge" us with their products unless we reciprocate by "deluging" them with our products. Consumption of foreign goods does not eliminate the necessity for home production. You must produce something to trade in order to get foreign goods to consume. The moment we stopped producing they would stop shipping. Is there any doubt about that? Where, then, does the harm come in? Where is the danger? What is it we are to fear?

But it may be said that while the people of Europe will not actually give us their products after the war,

yet that owing to the great wars clearing of the ground by destroying millions of lives and billions of property, they will be able to produce so much cheaper than ever before as to let us have their goods and products for a song, a trifle, "a mere pittance." Even so, this is a thing not to be feared but desired. If they give us their goods, it is pure gain. If they trade us their goods, then the less they ask for them, the more we will get in exchange for ours—thus enormously increasing the profits of our export trade!

And so whether they give us their goods or whether they trade us their goods, whether they come as donations or whether they come as imports; no rational mind can find anything in the situation but increased prosperity. The wheels of industry will not stop—they will run the faster. The laws, causes, and requirements of trade will be the same "after the war" as before. Even dynamite cannot suspend or destroy Natural Law. And Trade is a part of the cosmic processes of the material universe. Its roots, its source, its cause, lie deep down in the physical constitution of nature. And so Trade is a thing not to be feared, but to be sought, encouraged, cultivated—extended.

FREE TRADE AFTER THE WAR: A SUGGESTION.

No cultivated and sober-minded free-trader will contend that the present "world war" was caused by the spirit of protectionism and colonial monopoly alone. Arrogance, pride, tyranny, fear and distrust were all important factors in the tragic situation. Yet it is not to be denied that protectionism and imperialism were the most potent causes of the struggle. Germany's complaints of England's persistent policy of isolation and imperilling her; the talk about a place in the sun; the Moroccan episode; the Bosnian coup and Russia's impotent rage at the time; the recently published documents or papers setting forth the Anglo-German negotiations toward a settlement of the differences, or of questions likely to lead to contention and difference, between the two powers—all these facts, with many others, point to the importance of the economic or territorial and industrial factor. Now, it is manifest that if freedom of trade—or such tariffs for revenue only as amounted to close approximations to free trade—with open doors in undeveloped countries, were the ac-

cepted policy of the great nations, protectionism and colonialism as a constant source of war and preparedness, would almost wholly disappear. The early Free Traders of Britain were fundamentally right—even though they were far too optimistic in their predictions regarding the great moral and political results of the adoption of free trade by England. They were right as to the intimate relation between free trade and international peace. Protectionism inevitably breeds antagonism and war. Spheres of interest, special privileges in exploited markets, lead to friction, bellicose diplomacy and war.

The present struggle cannot last forever. It may end soon. Various schools and groups of thinkers and reformers will naturally draw their respective lessons from the tragedy. Books will be written about the ways and means of eliminating sources of irritation and preventing physical conflicts. Conferences will be called to discuss arbitral courts, leagues of peace, new international arrangements, and so on. It behooves the Free Traders of the world to take thought in time and plan an impressive international conference on Free Trade.

The need for such a conference is all the greater since many signs portend a reaction against free trade in England and a recrudescence of extreme protectionism in the United States, the British colonies and elsewhere.

We have been hearing of strange "conversions" to protection, or imperial preference and discrimination, on the part of British Liberals and Labor party leaders. Several prominent men have publicly repudiated the Free Trade doctrine and said they had been "blind fools" on the subject. Mr. Hodge, the Labor representative in the Lloyd-George cabinet, is one of these converts. He now boldly preaches tariffs against all economic rivals. He would not limit permanent import duties to enemy countries. A boycott of Germany and Austria would not satisfy him. He demands general protection "for the benefit of British labor."

To say that the "arguments" of men like Hodge are shallow and fallacious is not to meet the needs of the situation. Protectionism is of course pure quackery. It cannot, abstractly, be treated with any spontaneous patience. The case was really closed decades ago, and nothing new in favor of protection can be said. But—but—impatience and contempt will not prevent the threatened reaction

against free trade. Many men of intelligence and sense swallow half-truths and fallacies with amazing ease. Questions that are settled scientifically and intellectually remain long unsettled in the realm of democratic and practical politics. Capital punishment is one illustration of this sad fact, and protection is another.

Free Traders should, therefore, put themselves in readiness to start a wide, vigorous campaign against protectionism and monopolistic colonialism the moment peace is restored to the stricken world. A campaign-book might well be prepared now, in advance of the actual movement. There is so much to be said about the part played by protectionism in the war, about the gains and losses of the Powers that went into the war to obtain "markets" or "places in the sun." What object lessons the situation abounds in! Give Germany all the colonies she thinks she wants, and give her all the preferential tariffs she has ever dreamt of asking: how many centuries will she need to recoup herself for the direct financial losses of the war alone, to say nothing of the indirect economic losses?

Of all "idiotic" wars, wars for protected markets and exclusive colonial spheres are surely the most idiotic. And this can easily be proved to the satisfaction of thousands who are at all amenable to reason. It can be proved to British workmen, to French workmen, to American workmen, to Italian workmen.

An aggressive, not an apologetic, propaganda of Free Trade as a condition of peace and good will, as well as of material economic advantage, is one of the duties and opportunities of the time. Millions of men and women are praying and hoping that this may prove to be "the last war." This creates a favorable soil or atmosphere for effective propaganda of international freedom of trade.

Could not a campaign book be written and published in English, and then translated into several other languages? Would not economists, sociologists, publicists, historians and practical men of affairs contribute powerful articles to such a book?

I venture to make this suggestion to the Free Traders of the United States. They are in a position to take the initiative. They should have little difficulty in obtaining requisite financial support for this project.

VICTOR S. YARROS.

Infant Industries Again

By E. N. Vallandigham

"Wake up, America," cries the Home Market Club through its salaried secretary, Thomas O. Marvin, and as sequel to this rousing call comes the awful warning that we cannot expect to enjoy the blessing of the European war forever. After a time the world will be cursed with peace; millions of men withdrawn from industry to slay one another, and blow away in explosives their own and our iron, copper, cotton and what not else, will return to their accustomed vicious and ruinous occupation of producing all kinds of necessary, useful and agreeable things. We are threatened, especially we Americans, with all the horrors of peace, and we must prepare by suitable legislation to mitigate those horrors while bearing them as best we may, in the hope that war may break out anew in some quarter, and thus restore us to the happy condition of the last two-and-a-half years.

It is an awful picture that the protectionists draw of the havoc to be wrought by a return of the world to peace and peaceful activities. Those of them who know history recall how happy our ancestors were through the twenty years of the Napoleonic wars, and how we barely averted the worst horrors of peace a century ago by the happy thought of a protective tariff. History repeats itself, in which respect history resembles the protectionists, who seldom do aught else. They repeat themselves without regard to the fact that their assertions have been a dozen times refuted. Like the parrot, they have learned a few words, mere words without genuinely significant ideas behind them, and they go on repeating their little meaningless repertoire, hopeful in the knowledge that an untruth sufficiently advertised will find lodgment in some minds and acceptance as truth.

When the Napoleonic wars ended a little more than a century ago the protectionists of that day saw the impending ruin that, according to their view, peace brings in its train. Recognizing with regret, that, as Lincoln said "You cannot fight always," the protectionists of the period immediately after the Napoleonic wars, nobly proposed as the next best thing to war by force of arms, an economic war. Our infant industries, built up during the period between 1793 and 1815 were threatened with ruin, and the American people were to be smothered in cheap European-made

goods. Our legislators of that day were unwise enough to heed the prophets of ruin, and to accept their suggestion of a means to avert it, a protective tariff. Everybody, even the protectionists, admitted that a permanent high protection was not to be justified. All the protectionists asked was protection for a few years so that infant industries might adjust themselves to new conditions. When the time came, however, to reduce the new protective duties, the infants howled lustily for more pap, and they obtained it. The protective duties became more and more onerous, until South Carolina—which made the mistake of supposing that those duties robbed the South to enrich the North, whereas they robbed not only the South, but nearly everybody everywhere to enrich a favored few who happened to conduct protected industries in the North—resorted to the madness of nullification. Jackson saw in nullification something just short of treason, but the protectionists in Congress struck hands with the nullifiers to prevent the passage of a bill enabling him to deal effectively with South Carolina, until the life of the protective system was guaranteed for some years longer. When, however, the time came to approach free trade or more accurately a revenue tariff, the protectionists found in the conditions of the moment the opportunity to put off the evil day, and the protective system won a new lease of life. About ten years later the free traders were again in the ascendancy, but with the oncoming of the Civil War, need of revenue led to the raising of duties still higher, and it has taken the American people more than a half century to win for themselves some relief from the oppression then imposed by the protective system.

Now once more, the protectionists would save the system that takes from all to enrich the few, and upon the same grounds as those of a century ago. That century, however, has been an object lesson to the American people in the utter selfishness of the protectionists. Our late born infant industries, dyes, and the like, will be just as insistent upon their right to perpetual pap as their predecessors of a century ago, and we shall be a silly nation if we again yield to the specious arguments of men with hundreds of millions to make out of a public gullible enough to take their advice.

Protective Tariffs Unscientific and Immoral

By Frank Theodore Allen.

The advocates and defenders of protective tariffs are very insistent in their demands that the tariff be settled "on a scientific basis." How, pray, can that which is essentially immoral and unscientific be "scientifically" settled?

A protective tariff is immoral because its basic assumption is that the workers and business interests of other nations are inherently the enemies of the workers and business interests of our own country.

If it be a fact that the workers and business interests of other nations really are the enemies of the workers, and are naturally antagonistic to the business interests, of our own land, then, and then only, may be justified the fostering of racial jealousies, class hatred and national rivalry which finds expression in, and is perpetuated by, every effort to bolster up, establish, and defend home industries, regardless of every possible advantage of exchange, and indifferent to the needs or welfare of all others.

The protective tariff is immoral, because, if pursued to its logical extreme, it would effectively shut the door on the importation of any item which by any fostering device might be produced in our own country.

Protection is immoral because its opposite, Free Trade, followed to its logical extreme, would establish the commercial fraternity of the entire human family and insure the removal of all barriers to free and mutual exchange of commodities, resulting in their production with the greatest possible economy at places where the natural conditions were most favorable.

Free Trade would permit the natural working of the law of supply and demand and would not foster industries artificially supported upon the stilts of a tax which always and everywhere has exerted a demoralizing influence upon legislators, executives, business interests, and everything it touches,—and always at the cost of the masses!

Protective tariffs are proven to be immoral because not even the most radical protectionist would confess to a desire to have realized the extreme and logical results towards which protection inevitably tends; and also because every humane person admires and admits the charm and

beauty of the ideal of freedom and fraternity in commerce and exchange among men and nations. This is absolutely impossible without freedom from tariff barriers.

Protection is immoral because it candidly recognizes the relative poverty of large aggregations of our fellows in other lands, and deliberately and selfishly seeks to deprive them of whatever demand for their services and wares we control, by resorting to unscientific, artificial, and selfish means by which to drive them from our markets, regardless of what the effect upon them may be!

Protection is immoral and unscientific, because all attempts at meddling with and circumventing natural laws react by opening the way to numerous abuses, and it is a notorious fact that the protective tariff in this country has resulted in the most scandalous corruption of our national law-makers and also generated criminal conspiracies among the officials of the government and those of the business interests affected by the tariff,

That protection is not only unscientific and immoral, but is also ineffective, is proven by the abnormal stimulation of immigration, resulting in very doubtful benefits to most of the immigrants and most emphatic injuries to our native workers, as well as the introduction of many difficult and costly racial problems and the endangering of some of our cherished ideals and institutions. In short, the evils resulting from our tariff debaucheries have grown to such a state that the very life of the republic is threatened unless the present beginnings of reform are persisted in until the mischief resulting from our years of unscientific and immoral experimenting has been remedied.

All tariffs or taxes on trade are shown to be immoral by the well-known fact that large numbers of the most eminently refined and respected citizens have been discovered seeking to avoid the payment of such taxes,—people who in every other respect are strictly law-abiding, conscientious and commendable in character; yet they feel no compunctions against trying to avoid the payment of a tax which all who are required to pay hate because of its injustice.

Protective tariffs are unscientific, because even were it possible to ascertain the actual difference in the

cost of production at home and abroad, immediately upon adjusting the tariff to compensate for that difference its very effectiveness in checking imports would automatically alter the elements of cost, supply and demand, both at home and abroad, so as to upset again the attempted balance; and so on, ad infinitum.

Protective tariffs are artificial, because they are devised for the purpose of fostering industries that are essentially alien or locally unprofitable. Additional evidence is furnished by the fact that every attempt to revise such tariffs, whether by those friendly or opposed to the "policy" of protection (there is no "principle" of protection) is attended by uneasiness and various palpable evidences of the shaky and insecure foundations of the fostered industries. The effects of tariff tinkering are akin to the distress caused by probing at an infectious wound or malignant ulcer.

The advocates and defenders of protection are akin to the boy who cried because he could not eat his pie and still have it to eat. They cite statistics to prove the creation and growth of the artificially fostered industries, but are utterly oblivious to the fact that for every worker who has obtained a "job" on one of the stilt-supported industries there has been a corresponding desertion of field and farm and the industries associated with our unlimited natural resources. Foreign workers also, are thereby encouraged to make their distant and indirect competition local and personal by immigrating to our shores in vast numbers, and now,—in part due to the protective tariffs and equally to other artificial, immoral and unscientific methods of state and municipal taxation,—the masses are taxed or penalized in proportion to their industry and enterprise instead of merely being required to contribute to the public funds a sum proportioned to their material and social privileges.

The protective tariff is but one, though a vitally important one, of a number of vicious and devitalizing systems by which we legalize privilege and breed hosts of human parasites who reap where they have not sown and fatten on the unearned increment, to which either fortuitous circumstances or deliberate craft affords them a legal title.

In consequence of the orgy or epidemic of legal immortality involved in wholesale incorporations of trusts, individual initiative has been all but destroyed, family homesteads have

been diminishing at a rapidly increasing ratio, and tenant farmers,—trust-taxed and monopoly-ridden individuals and human parts of giant machines,—are swiftly replacing the ranks of the great middle classes who, in a country where natural conditions are permitted to prevail, form the backbone and sinew of the nation.

Every argument for protection is an excuse, a compromise or an evasion; and the certain result of indulging in them is self-deception,—when such arguments are not deliberately designed to deceive, or to appeal to the selfish instincts of the people.

Free trade is dangerous and hurtful in the same way that light and fresh air are dangerous and hurtful to one who has for a long time been confined and artificially nurtured in a dark and ill-ventilated room; or in which walking would be painful to a man whose limbs had been strapped to splints until the muscles became flabby and weakened. As a nation, we have outraged the laws of civic morality and international health so long that any attempt to resume normal and decent conduct must bring upon us the painful evidences of the consequences entailed by the wrongs we have persisted in. We are rapidly coming face to face with the imperative necessity of deciding whether or not we shall persist in indolently, blindly and selfishly continuing the artificial conditions which have bred an army of grafters and established an oligarchy of plutocrats, who laugh at our laws,—conditions which have made our legislative bodies hotbeds of log-rolling deals and dickers, forced hundreds of thousands of our workers into trades for which they are ill-adapted by nature, and left our natural resources and great farming lands the prey of greedy speculators and foreign owners, who luxuriously spend abroad the tribute they collect from our workers. Upon the last we have placed the shackles of a protective tariff and other immoral, irrational and unscientific taxes. We are rapidly coming face to face with this tremendous issue!

The easy way—the slovenly, blind, selfish and cowardly way—is to “stand pat” or “let well enough alone,” and to perpetuate and continue to bolster up the benumbing, demoralizing and stupefying system of artificially stimulating tariffs, and let things take their course. But to persist in this means certain disintegration and final destruction! This na-

tion is like a man who has been stupefied by inhaling gas or taking an opiate,—we want to be let alone and we fight against being aroused because the return to life and consciousness involves pains and discomforts.

I speak as one whose ancestry dates back to pre-revolutionary times, who has himself studied the trend of national affairs, and feels a certain patriotic pride in the glorious traditions of our forefathers. I also speak as one who has for many years been a serious observer and earnest student of the influence of the celestial orbs as auguries which,—as if the fingers of the Almighty,—write His laws and messages upon the scroll of the heavens, where all who are able and so disposed may read and profit by their warnings and promises; and as a sincere student and devout believer in the ancient science of astrology I am compelled to declare that this nation is almost face to face with one of the most portentous struggles in its history. I calmly and seriously believe that the crisis before us involves the very existence of the nation as at present constituted. If we are to survive and thrive, as I most sincerely hope and believe we shall, it can only be by courageously submitting to the heroic cutting out of the cancer which is eating itself into the very vitals of our commercial, moral, social and political life; and by determinedly discarding the artificial props and encumbrances which for so many generations we have permitted and encouraged our representatives to impose upon us. Like a woman with an ulcerated tooth, or a man with a gangrened member, we must muster up the courage to submit to the fierce, though temporary, torture, of having the offending members removed, as the only means of saving our life and restoring health and harmony.

Of course it will hurt!

But such are the conditions Nature imposes upon all violators of her laws who would return to normal living and resume the enjoyment of real liberty and the pursuit of moral pleasures and righteousness.

I am not a fatalist! Though an earnest devotee of the science of astrology, which demonstrates fate to be perhaps a thousand times more real and potent than most folks imagine it to be, I stoutly insist that fate is but another name for ignorance, and that knowledge is the key to all power. By intelligently adapting ourselves to the forces of nature,

as depicted in the positions and stimulated by the radiations of the celestial orbs, we may learn to utilize and benefit by even their most powerful, subtle, and seemingly malignant influences in much the same way as we have learned to harness the most palpable of material forces of nature to our service, and to shield ourselves from the hurtful effects of their extreme manifestations.

More than fifteen years ago the writer issued a treatise clearly forecasting the conditions now prevalent in our political and commercial conditions, but it no longer requires the prophetic vision of an astrologer to recognize the fact that we are passing through a revolutionary epoch of tremendous moment. Until now this revolution has been a comparatively bloodless one. Would to God that it might so continue! But the crisis is fast approaching in the awakening process which is restoring the stupefied giant to consciousness when the lower and animal passions—as represented by the fears, bigotry, prejudices, habits, and selfishness of the masses—will express resentment, and rebel and fight against the sufferings involved in the process of restoration, and like a frightened patient in the dental chair, refuse to submit to the completion of the necessary operation. And the most portentous element in this swiftly oncoming situation is that the beneficiaries and defenders of the artifices responsible for the critical situation will deliberately try to fan into a flame of riotous protest the fears, prejudices, and selfish instincts of the masses. So that it will likely become a serious question as to whether, as a nation, we will consent to a weak and cowardly compromise and insist upon a modified continuation of the sleep which stultifies growth and progress and encourages the immoralities which already have honey-combed our institutions; or whether we shall insist upon a complete revival of consciousness regardless of the incidental pains and inconveniences of convalescence, and courageously get up on our feet and shake off the moral stupor induced by the opiates of artificial systems and immoral indulgences, and walk forth—renewed, reborn, renovated; feeble and weakened for a time—but cleaned, purified, illuminated and essentially virile, and ready again to take our place as the Mecca of all who reverence human liberty, basic justice, orderly growth, rational progress and natural evolution!

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a dirge, or a life march, as thou wilt.—Carlyle.

CORRECTION.

Every day that is born into this world comes like a burst of music, and rings itself all the day through; and thou shalt make, of it a dance,

On page 3 of the January BROADSIDE a typographical error occurred in Mr. Brickett's last table. The next to the last item should read "wood and manufactures," instead of "wool . . ."

Editorial

We particularly urge all our readers to read carefully the splendid leading article in this issue of the Broadside. Its author, M. Henri Lambert, is a manufacturer of Charleroi, Belgium, whose business has been completely lost to him through the German invasion of Belgium. Yet one looks in vain in his writings for any trace of hatred, rancor, or vindictiveness. On the contrary, his whole concern is with such a just and humanitarian solution of the present situation as will make a recurrence impossible. We commend to our militarist and violently pro-Ally friends the noble, patient, tolerant attitude of mind displayed by our esteemed contributor. And we announce with some pride that M. Lambert has consented to become an honorary member of the American Free Trade League.

What do the believers in the "fallacious doctrine of free trade" think of the letter reprinted on page 8 of this issue of the Broadside? Do they realise the wickedness of applying the Golden Rule to international dealings, the foolishness of seeking freedom to exchange the products of their labor for the services or labor products of others, whether they live in New England or Old France, in New Mexico or Old Mexico? Do they realise how much more important it is for the few owners of the Woolen Trust, Steel Trust and Watch Trust to increase their fortunes than it is for the masses of the people to buy food, clothing and other necessities cheaply? Do they understand how immoral it is to object to taxing the many for the benefit of the few? If not, they had better get busy and see that these same college students, teachers and principals who are to be given monthly a "short crisp argument" in favor of protection, receive a clear and forcible statement of the truth and rightness of freedom to trade wherever one can do so to the best advantage, unhampered by restrictive taxes and burdensome "protection." We have outlined how this can be done in the letter sent to all members at the beginning of the year, and need say here that all this league requires to accomplish this necessary enlightenment is additional funds. Small amounts can be used just as effectively as large ones.

The great need for education in politics and economics is sometimes illustrated rather grotesquely. For example, since the headquarters of

the American Free Trade League has been shared with the Massachusetts Single Tax League many visitors with curious inquiries to make have strolled in.

Last month a typewriter salesman wanted to know what "this Single Tax is, anyway." Quite seriously he asked, "Is it a tax on bachelors?" Perhaps equally intelligent was the question of a woman who came in a few days later. Rather diffidently she asked, "Is the Free Trade League working for the liquor traffic?" Both these experiences reminded the Secretary of the time he asked a farmer's wife if she believed in Woman Suffrage. "Why of course I do. Haven't the women always done the suffering?" LIFE and PUCK please copy and remit.)

In "THE NEW PROTECTIONISM" our old friend, J. A. Hobson, shows clearly the utter futility and uselessness of the tariff proposals adopted by the representatives of the Entente Allies at the Paris Conference last spring.

Reminding us that men, not nations, trade with each other, and that the only reason for exchanging goods is the gain of both parties, he shows that to erect tariff barriers against the Central Powers is to injure those behind the barriers quite as much as those in front. The carrying out of the proposals for protective tariffs is also liable to drive the Germans to outstrip the traders of the Entente Allies in all neutral countries. This result would be the direct opposite of that intended, for it would benefit and strengthen the "enemies" of the Entente, instead of injuring them.

But is not "protection" always a boomerang?

Tariff taxes all have to be paid by the consumers. And although theoretically import duties alone are paid, actually the rate of duty on imported articles is added to the prices of domestic goods by the protected manufacturer; and the consumers' burdens are thus vastly increased. How, therefore, can "protection" strengthen or make richer the people of "protected" nations? Preventing exchanges and heaping taxes on people can only weaken and impoverish the many.

On the other hand, free trade, by increasing exchanges and, through stimulating competition,—developing latent powers and resources, does strengthen and enrich the nation that practises it. The enormous

financial and economic strength of free trade England in the present war is a convincing demonstration of the value of free trade.

Would that all British and American voters could read this clear exposure of the economic shortsightedness and fallacious reasoning of protectionists.

LECTURE BY BENGOUGH

(Continued From Page 9)

Obstruction of trade by tariffs is contrary to true Americanism. It is in direct antagonism to the doctrine of liberty set forth in the Declaration of Independence, and it is also contrary to the provisions of the Constitution relating to equality of taxation.

But protection by bounty, though in every way superior to protection by tariff, is a man-made contrivance. The true free-trader does not believe that protection of any kind would be required under natural conditions, because he holds that there is a law of revenue established in the very nature of things.

A nation requires a revenue and it requires also absolute freedom of trade. It can have both by simply putting itself in harmony with natural law.

That law may be stated in this form: The concentration of population gives rise to the necessity for revenue; at the same time it gives rise to a value (usually called land-value) which is always equal to the demands of the public revenue. By taking this community value for the public treasury, an ample and unfailing revenue is secured, without interfering in the slightest degree with trade. While revenue is a community matter, trade is an affair of the individual citizen, and justice would be done to both by a policy which illustrated the principle: "Publicly created values for the public; privately earned profits of trade to the private citizens who earn them." The United States ought of right—in view of its Declaration—to be the free trade leader of mankind, instead of the national exemplar of the anti-humanitarian policy of tariff protection.

"What if the realization of our ideals does tarry? So the ideal of David tarried. God credited him with his ideal and that ideal in God's own time came to its realization. . . .

"Ofttimes it takes a long time for an ideal to come to its perfect realization, but at last the ideal is brought to its glory and then every hewer of wood and drawer of water, every prophet, priest and king, every student and every bond slave has a part in that blessed consummation."—From Dr. McClure's Baccalaureate at Lake Forest University.

Free Trade Broadside

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William Lloyd Garrison

Edited by
Kenneth B. Elliman

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M. HENRI LAMBERT

Fondateur de la Ligue du Libre Echange, Paris;
Membre Titulaire du Societe de l'Economie Politique, Paris
Honorary Member of American Free Trade League.

Annual Meeting

The Annual Meeting of the American Free Trade League was held at the Twentieth Century Club, Boston, on the evening of May 22d. A nominating committee had been appointed by the Executive Committee, but through inability to agree on a successor to Mr. Putnam they had decided to recommend the re-election of all the officers for the year past. Between the time of their report and the Annual Meeting a candidate for President had been found, acceptable to the majority of the members,—who had shown beyond a doubt their disapproval of the re-election of the President. At the Meeting, before any nominations could be made, one of the oldest members got up and threatened that if Mr. Putnam were not re-elected, he would break up the League. In the face of this threat and of the nominating committee's report, only four votes for Mr. Putnam could be obtained from the more than thirty members present. Finding it to be impossible to elect their candidate, the supporters of Mr. Putnam moved to postpone the election for another year. This move failed, but in order to save the feelings of the guests present it was moved instead to postpone the election until called by the Executive Committee. This motion was carried, and the

members and their guests adjourned to the annual dinner in the dining room after the reading of the Treasurer's Report.

The dinner was presided over by President Putnam, who entertained the members and guests with many interesting reminiscences of the early days of the Free Trade movement in this country, and of the Civil War. After the Secretary had read his annual report the President introduced the two guests of the evening—M. Henri Lambert of Charleroi, Belgium, and Mr. E. H. Clement of the Boston Transcript.

For accepting the office of President when the organization had been inactive for three years, was without a Secretary, and had perhaps reached the lowest ebb in its affairs, Mr. Putnam deserves the thanks of all the members of the American Free Trade League. That his attitude on several questions has been unacceptable to many members, is merely the result of holding pronounced opinions and pressing them sincerely on others. Justice demands the statement that he did not seek the office at first, nor has he sought re-election. Mr. Putnam's service to the League requires that he be exonerated from responsibility for the mistaken zeal of his friends.

SECRETARY'S REPORT.

The present Secretary took office on July 11 of last year. Miss Rogers, who had attended to the duties of the office for many years previously, was very kind and of great assistance in showing both what needed to be done and how to do it.

I had been told that I should need to put in only an hour or two a day at the work, because that was all that had been required for several years. And if I had been willing merely to keep up the forms of what was almost a dead organization, perhaps this could have been done. But I am constitutionally averse to tending a corpse, so I promptly decided to do what I could to revive the American Free Trade League to at least its former degree of activity; and ever since have put in my whole time.

Bills for annual dues, together with a letter and a short article by Messrs. Putnam and Winslow, had been prepared by Miss Rogers, and these were immediately mailed to the 630 members on our list. Less than four hundred of these had paid dues for the preceding year. This letter brought a very gratifying response, both in dues and contributions. However, so many members wrote in, objecting to the personal views of the League's President on various questions, that a large part of the Secretary's time for many weeks had to be taken up in placating these members. It is sufficient to say that none who openly stated their objections were lost: a few resigned without giving their reasons.

Then while acquaintance with the office was being gained, someone wrote a letter to the BOSTON DAILY ADVERTISER, expressing fear of Oriental competition under free trade. The opportunity was seized upon to engage in a newspaper controversy on this subject in the columns of the ADVERTISER. This resulted in editorial praise from the protectionist BOSTON TRAVELER.

In exploring the office it was found that nearly half the space was occupied by thousands upon thousands of old issues of the FREE TRADE BROADSIDE. In order to have room to work in, all the back numbers of the BROADSIDE, except 100 copies of each issue, were sold for old paper, realizing over \$25. Obsolete pamphlets were sold in the same way.

While engaged in this work the idea occurred that the cheapest as well as the best way, to send out the report of the Annual Meeting, promised in Mr. Putnam's letter, would be to revive the BROADSIDE and send it at second class mailing rates. This was accordingly done, and the first number of the BROADSIDE for over three years was issued in September, dated October. With the cooperation of members it has been possible to fill sixteen pages of this and the two succeeding numbers, thus keeping up the standard of size set by Mr. Garrison. 1000 copies of the October number were printed, many of which were used for samples. Only a dozen or so remain. Of the January issue 1500 copies were printed,

and these are all used up. Of the April number 4000 copies have thus far been printed, nearly all of which have been sent out. Copies of the October issue were sent to all the Democratic Senators and Members of Congress, and they were invited to join the League. Only one new member was gained in this way, but several Senators had been members for years. Other campaigns for new members have been more successful. Mr. Daniel Klefer, as Chairman of the National Single Tax Committee, furnished the money to pay for 2000 April BROADSIDES to be sent to members of the American Economic Association. This has already brought in many new members, and more applications are received nearly every day.

In September the Executive Committee of the Mass. Single Tax League offered to share the use of their headquarters with our League in consideration of our paying half the rent. As this meant a considerable saving in the expenses of both Leagues and in the time of your Secretary, the offer was accepted and our office was moved at the end of September to the Walker Building, 120 Boylston St. One result of this move has been that Single Taxers visiting the office have been exposed to the solicitations of your Secretary, with a consequent increase in the membership and funds of the Free Trade League.

The only general gathering of our members since the last Annual Meeting was on February 9th, when our League gave a joint dinner with the Mass. Single Tax League in this Clubhouse, and had a chalk talk by Mr. J. W. Bengough of Toronto. This, also, resulted in increasing our membership.

Believing that the greatest need of the League is to enlarge its membership, the Secretary has devoted all the time that could be spared to soliciting new members. As a result of letters and personal interviews, assisted for the past two months by the work of a typist, the membership of the League has been increased during the past 9½ months by about 150, and new applications are received almost daily; 20 deaths have been reported during the year, and 56 have resigned. As nearly as can be ascertained, the League now has 580 active members and 63 who are behind with their dues.

In response to a request in the BROADSIDE, Messrs. A. Augustus Healy and Jacob H. Schiff of New York supplied the funds for sending the BROADSIDE for a year to public and college libraries. About 750 copies of the April number were sent to libraries, followed by a letter to each. Of these about 260 have thus far written to say they would like to have the BROADSIDE regularly. It is believed that this is one of the best ways of interesting and influencing public opinion in favor of the work, and it can be extended almost indefinitely as fast as funds are provided. Another promising field is that of country newspapers.

In looking back over the work of the year, your Secretary cannot help feeling that the League has been completely revived and some worth while results obtained. Yet only a beginning has been

made in enrolling all who favor freedom of trade and in reaching the public. Lists of names of prospective members are on hand, and more can easily be obtained. Only the funds are needed.

On account of world conditions the keynote of nearly all documents sent out by the League during the past year has been the necessity of freedom of trade to lasting peace. It seems to your Secretary that the present state of world affairs offers an ideal opportunity for the pressing of our reform. So much has been done during the last six months that, even with the most careful economy, the funds received have been almost exhausted. Although some annual dues will come in next month, a serious condition confronts us. If the work of the League is even to be continued, without any expansion, it is absolutely necessary that several hundred dollars be immediately raised.

The present Secretary has shown his willingness to do all the routine and drudgery of the office, but it seems to him that it is mistaken economy to compel him to fill his time with this kind of work and leave undone the more important work of editing properly the BROADSIDE and writing letters and articles for the press. A competent young woman has been found and trained to do the routine work of the office, and she has become so infected with the enthusiasm there that she has herself joined the League. All that is necessary to employ her regularly and thus vastly increase both the efficiency and the influence of our propaganda, is the raising of about \$500 a year.

KENNETH B. ELLIMAN,

Secretary.

May 22, 1917.

TREASURER'S REPORT.

May 1, 1916—April 30, 1917.

RECEIPTS.

Balance, May 1, 1916	\$447.94
Annual dues	1032.72
Contributions	994.00
Publications sold	78.92
Miscellaneous	278.75
	<hr/>
	\$2832.33

EXPENSES.

Rent	\$227.00
Telephone	21.82
Printing	563.75
Postage	226.71
Stationery	60.26
Dinner, June, 1916	134.05
Salaries (Sec'y. and assistant)	694.69
Miscellaneous	729.48
Balance, May 1, 1917	175.26
	<hr/>
	\$2832.33

(Of the balance on hand May 1, 1916, only \$228 was left when the new Secretary took hold on July 11, and \$134.05 of this was paid out for the dinner in June, thus making the actual balance with which he started only \$93.95.)

JOHN RITCHIE, Treasurer.

By Kenneth B. Elliman, Secretary.
Note: The Secretary has done all the Treasurer's work except signing checks.

To Members

Election.

The adjourned annual meeting of the League for electing officers for the year 1917-18 was held at the office of the League on the afternoon of June 14th. The Constitution requires fifteen members for a quorum, and there were only twelve members present in person. However, 27 members had sent in powers of attorney, authorizing the Secretary to vote for them in the way they specified. Four of those who had done this were Vice-Presidents of the League. Although the two lawyers present ruled that these 27 proxies were perfectly legal and proper, the three supporters of Mr. Putnam, who knew he could never get enough votes to be re-elected, made so much objection to the use of the proxies for a quorum and election, that they frightened the Chairman into refusing to allow them. Then the purpose of the reactionaries appeared, for they called attention to the Constitutional provision that officers shall hold office until their successors are elected, and moved postponement of the election till the next annual meeting. Merely to save appearances, this motion was modified to read "until called by the Executive Committee," but no attempt or plan to call it has since been made by the Committee. The Secretary protested at each meeting against any postponement and insisted that the majority of the members had a right to be heard; but he was overruled.

Moreover, his strenuous efforts in behalf of the majority of the members, who live at a distance from Boston, aroused the animosity of the trio who were trying to "rule or ruin" the League. Finding him in the way of their plans, they first called a meeting of the Executive Committee for the purpose of cutting off his salary—in the hope that this would force his resignation; but when it was shown at this meeting that the Secretary had raised all the funds of the League while he had been in office, and that he was raising sufficient right along to pay all the expenses and salaries, the motion was lost.

Failing in this, another attack was made at a meeting on June 22d, when the same old man (Erving Winslow) who had tried to force Mr. Putnam's re-election, got up and in defiance of all parliamentary law and polite procedure, made a series of slanderous false charges against the Secretary. Instead of calling him to order, the Chairman allowed the attack to be finished. The charges were shown by other members of the Committee to be utterly false; but the surprising thing was that in spite of this admission, which was ordered recorded in the minutes, these same members of the Com-

mittee who had shown the falsity of the charges, voted with the reactionaries to ask for the resignation of the Secretary. The explanation given was that they had to choose between this action and hurting Mr. Winslow's feelings. Considering that Mr. Winslow never attended a meeting of the League nor came to the office from October to May, whereas the Secretary carried on all alone the whole of the office work, editing and publishing and mailing the Broadside, keeping all the records, attending to all the correspondence, raising and spending all the funds, getting new members and keeping the office open all day, every week day—considering this, the members can judge for themselves which is more useful and important to the League.

When the motion requesting the Secretary's resignation had been passed, the Secretary reminded the Committee that he had never sought the office, and that so far as his own interests were concerned, he had no desire to cling to it. When he accepted the position in July, 1916, it had been vacant for over three years, presumably because nobody else would take it. The League, in fact, was practically dead, so far as any activity was concerned, and consequently no salary could be promised. Therefore, for a man of his age (36) to take such a position at a nominal salary and with no future to it, could only mean a considerable personal sacrifice. He had undertaken the work, however, out of love for the cause of freedom and in the hope of building up the League to a condition where it could accomplish something worth while. This would take several years of hard work before the League could even reach a condition where it would be self-supporting; but he believed the raising of over \$2500 for the work and the 25 per cent increase in membership during his ten months' administration showed it was possible. The Secretary has all along taken the position that his relations with distant members made him the servant and representative of the membership at large, and he has tried always to act as such. In asking him to resign, the Committee were clearly treating the League as a social club, in which the feelings of the local members were the first consideration. The Secretary said he felt that in soliciting new members and collecting dues from old ones on the understanding that they were to receive the FREE TRADE BROADSIDE regularly and that the work was to continue, he had made a contract with old and new members that could be dissolved only by common consent. Much as he disliked seeming to cling to any office, he felt that he could not rightfully desert the members who had furnished the funds for the League, and he therefore declined to resign until a competent successor was found. The Committee had not even thought of a successor; so they adjourned without further action. But this attack on the work of the League, accompanied by the successful effort of Mr. Winslow to get the League's funds

away from the octogenarian Treasurer into his own hands, could not help injuring the League's credit and activity. It became impossible to proceed with the publishing of the BROADSIDE without any funds, and the campaign for new members, which had brought in 25 since the Annual Meeting, had to be suspended. On June 29th another meeting of the Executive Committee was called by the Chairman (contrary to the Constitution), and at this meeting the Committee voted to stop the Secretary's salary, stop all work and lock up the office.

Feeling that the members of the League are entitled to know the condition of affairs, the Secretary has raised the necessary funds himself and got out this issue of the BROADSIDE to inform the members. Since he has done all that he can for the members, and has no personal desire for this sort of thing, it now rests with the members at large to decide what they want done. If they show their approval of the stand taken by the Executive Committee by doing nothing, he will be glad to be relieved of any further responsibility and will resign. But if, as letters from members in the past year seem to show, the majority of the members believe that absolute freedom of trade is essential for permanent international peace and justice, and that Free Traders have a unique opportunity to urge their views before the peace treaties are signed,—then they are invited to write and express their opinion of the plan on the last two pages.

In the nature of things the Secretary of an organization of this sort must be its executive, because he is the only one who sees all the correspondence and knows what is done. An Executive Committee can be little more than advisory in character. Then for this Committee to feel a sense of injured pride because of these facts, is clearly a mistake. That is what seems to have caused the present trouble. At all events, the Executive Committee must co-operate with the Secretary, or work is impossible. Since the present President is opposed to any activity on the part of the League until the war is over, and the Treasurer and half of the Executive Committee have shown their inability to co-operate with the Secretary, those who wish to see the work of the League continued along the lines followed by the Secretary and editor of the BROADSIDE during the past year are invited to attend a meeting at the League's headquarters on Saturday afternoon, September 15th, at 2:30, for the purpose of adopting a new Constitution and electing new officers. Those who cannot be present are invited to fill out the ballot printed on the last page and send it to the Secretary in time for the meeting. If sufficient interest is manifested and support furnished, the present Secretary is willing to continue and expand the work; otherwise it will have to stop. The members must decide.

All correspondence relating to reorganization should be addressed to the Secretary at 38 St. Botolph St., Boston, Mass.

The Tariff on Sugar

By J. Rex Allen

This industry has been protected for more than a century and has cost the American sugar consumer, in that time, more than a billion dollars in excess of world's prices.

Domestic sugar is produced both in continental United States and in its insular possessions. Continental United States produces both cane and beet sugar. In Louisiana sugar cane has been grown since the eighteenth century. Quoting Senator John Sharp Williams, of Mississippi, "sugar cane is an exotic in the climate of Louisiana" and one hundred million people are being taxed that a hothouse industry may be enabled to live, that a necessity of life may be grown in a location that nature has decided to be unsuitable. As long as the people will submit to being mulcted, this battle with untoward conditions will be waged by the Louisiana planter unless a rival within the boundaries of the country drives him from the field. Senator Charles S. Thomas, of Colorado, in a speech delivered in the United States Senate, said:

"I want to say here by way of digression with regard to the sugar of Louisiana, that the real menace to it is not in the abrogation of all duties but in the expansion of the beet sugar industry. I venture this assertion, that if a tariff of one hundred per cent *ad valorem* were placed upon sugar, in twenty-five years from now the domestic product would be confined to our insular possessions and to the great semi-arid regions of California and the Rocky Mountain West, enjoying, as they do, physical advantages which adverse legislation cannot affect and which do not need the protecting influence of legislation to make them operative."

Louisiana's share of the billion dollars exacted from the people is \$350,000,000. Yet, with all this immense sum of money and after a continuous existence of one hundred and fifty years the business is not self sustaining and it will surely die, for the ruthless law of the trade will brush it aside to make room for its virile competitors.

The beet sugar industry, in continental United States, has been a commercial success since 1890. From its inception it has enjoyed the full benefits of the tariff subsidy. The output has grown from 5356 tons in 1890 to the estimated production of 895,000 tons in 1917. The growth of the business has been retarded by the cupidity of those companies already enjoying the immense emoluments derived from the enterprise, who desired to forestall competition to enable them to create a monopoly for their special benefit. To illustrate this fact,—during the sugar investigation by the Hardwick Congressional Committee, a letter from Mr. C. S. Morey to Mr. H. O. Havemeyer was unearthed, which reads as follows:

The Great Western Sugar Co.
Denver, Colo., June 8, 1906.

Mr. H. O. Havemeyer,
New York.

Dear Sir:—

The enclosed letter from Mr. Boettcher explains itself. Would like to know if you see any way to check this kind of competition. I sometimes think it is a mistake not listing our stock and offering it for sale; if people want to buy common stock we ought to give them a chance to come in. This is only a suggestion. We are doing everything we can to discountenance the building of any more factories until the matter of tariff legislation is more settled than it is at present. We are using that as a basis of argument against the building of any more factories. Promoters like the Garden City and the Sheridan people are claiming that trusts have made great profits out of the business and in that way selling their stock.

Respectfully yours,

C. S. Morey."

(The letter which he inclosed of date June 7, 1906 follows):

"The Great Western Sugar Co.
Denver, Colo., June 7, 1906.

My dear Mr. Morey:

I had an interview today with the Colorado Springs people in reference to their contemplated factory to be built at Sheridan, Wyo. Sheridan is situated on the Burlington Route, a distance of 140 miles from Billings. If this factory is built, of course, they will come in direct competition with our local points of the Billings factory. I was in hopes that I would be able to have these Colorado Springs people take an interest in our Billings factory and keep them from building this contemplated plant, but I fear I will not be able to do anything with them as they tell me they have sold their common stock of the Garden City Plant, which they are now building, at \$50 per share and upward. They frankly admit that this common stock is all water and does not represent anything. That is the way they are making their money. They feel they can do the same thing in Sheridan and claim they have a ready sale for their common stock. Most of their stock is sold. They also expect to make a large profit on land they have purchased and expect to build a number of ditches and sell out the land at a large profit.

"There is nothing I can say to them that would be attractive enough for them to discontinue their building the Sheridan Factory, and I fear they will build a plant to be ready for the crop of 1907. The Promoters of the scheme put in very little money of their own, as they seem to have the faculty of having their people put up the money, and they are getting the benefit of the common stock for themselves." (This letter was signed by Charles Boettcher).

After checking competition, the Beet interests began to spread the propaganda that the growing of sugar beets was of immense value to the soil. This was subsequent to the reduction of the tariff on sugar beets from 25 per cent to 10 per cent *ad valorem* to enable

the Michigan and Ohio beet factories to buy their sugar beets from the Canadian farmers in competition with the domestic farmers. Also the admission of sugar beet seed free of duty. The sugar factories import the seed and sell them to the farmers. In connection with the fertilizing qualities of sugar beet production, Senator Thomas said in the United States Senate:

"Moreover, Mr. President, the increase of soil fertility in Great Britain, if we may credit her statistics, is quite as marked as in Germany, although in Great Britain beet culture is practically unknown.

"It is painfully evident, Mr. President, that soil fertilization is a new proposition, an *ad captandum* argument thrust into the arena of eleven-hour tariff discussion to befool the farmer, to distract the public mind, and to gloss over the iniquities of the tariff. It has the doubtful merit of novelty, a plausible but unsubstantial basis of fact for its support, and a well-fed organization to assert and disseminate it.

"But, Mr. President, while the question as to whether the cultivation of sugar beets operates as a fertilizer may be a debatable one, no one who has read the testimony of the Senate Lobby Committee will challenge the virtue of beet sugar as a fertilizer. It has fertilized the lobbyists of the country for many years; it has fertilized the press, both rural and metropolitan, ever since its entrance into the domain of American industry; it has fertilized and is still fertilizing public opinion through the dissemination of so-called literature, the preparation and distribution of boiler plate and patent insides for the weekly newspapers, through inspired discussions before industrial and commercial gatherings and by systematic and widespread propaganda; it has fertilized the hotels, the market places, and the print shops in the city of Washington; it has recently fertilized Chambers of Commerce, Boards of Trade and the Telegraph and Telephone Companies from Ocean to Ocean. Its fertilizing funds have flown from its tariff beneficiaries at 1 cent a bag, 2 cents a bag or 3 cents a bag, according to the emergency. What matters it, since the people pay? Mr. Oxnard, the original beet-sugar lobbyist, and still faithful at his post at a salary of ten thousand a year, whose demands upon the lobby treasury are made in the form of oral vouchers, told how hundreds of thousands had been gathered and cast upon the waters. It is still alert, grinding away at its familiar task as though unconscious that the old order has passed and a new one now prevails.

"The manner in which this industry fertilized the Government Printing Office and brought forth 'Sugar at a Glance' as a public document, is an interesting story. It was told to the lobby committee last June. It reveals the methods of this Association so graphically that all men should be apprised of it."

In addition to the power wielded by the Lobby, Vice-President Atkins, of the American Sugar Refining Co. when testifying before the Hardwick Committee said:

"They have never been able to get a reduction of duty on sugar for this reason—there are seventeen states in this Union producing beet sugar. Every one of these states has two senators. There are thirty-four senators, and every one of these Senators is a Republican."

Since that time, the complexion of the Senate has changed and these seventeen beet producing states are now represented in the senate about fifty-fifty, Republicans and Democrats, and but one of these thirty-four senators representing the beet producing states is on record protesting against subsidizing special privilege at the expense of the people. Senator Chas. S. Thomas of Colorado, representing the greatest sugar producing state in the Union, has this proud distinction.

That the manufacture of beet sugar is lucrative is demonstrated by a company organized in 1905. The stock issue was half preferred and half common. The common stock was issued as a bonus, all water—this said common stock being sold last year for \$475 per share. Regardless of its prosperity, child labor is exploited to still farther increase the profits of the business. Stoughton Cooley in his article entitled "A Government Partnership" says:

"And then as to the effect of the work on the people. Since the whole country is laid under tribute in order to keep up the business, it ought to supply all engaged in it with ample income to provide home comforts and a good education for the children. But listen to this letter from a school teacher in the heart of the sugar beet region in Nebraska:

"Would you care to present the case of the 'beet children'—the youngsters, most of them of German and Russian parentage, who are being exploited by the Great Western Beet and Sugar Company? As a teacher of retarded children I meet daily the shocking results of this exploitation—physical, mental and moral—and I am hoping to get the facts before the public. The exodus begins in May—the early part of the month—and the children are not back in the schoolroom until the middle of November. The very babies are set to work to 'thin' the beets, and many cases of spinal curvature may be traced to the hours of bending the work entails."

The beet sugar share of the billion dollar subsidy is \$250,000,000.

The United States Insular Possessions produce only cane sugar. Not one pound of all this sugar is exported, for through tariff protection one cent a pound more than world's prices can be exacted from the domestic consumer, so it is all sold for consumption in America.

Through the terms of the reciprocity treaty negotiated in 1876 between the Government of the United States and the Government of Hawaii, all Hawaiian sugar was admitted to the United States free of duty. At that time, there was a duty of five cents a pound on all foreign sugar about 20 Dutch standard. In 1883 this tariff was reduced

to 3 1-2 cents a pound; in 1891 all duty was removed from sugar, but in 1894 a tariff of 50 per cent. *ad valorem* was placed on sugar. In 1897 the duty was increased to 1.685 cents for 96" raw sugar. In 1914 the duty was reduced to 1.26 cents per pound and as Cuba had been granted a preferential of 20 per cent. on sugar, it reduced the duty on Cuban raw sugar to one cent a pound. With the exception of the three years when sugar enjoyed the benefits of free trade—which was before Hawaii was annexed to the United States—the Hawaiian planters have enjoyed the full benefits of protection and have profited to the extent of \$300,000,000.

In 1876 Hawaii produced 26,073,000 pounds; in 1890 the production increased to 259,788,480 pounds and since the European War has produced 1,234,074,240 pounds in 1914; 1,292,889,920 pounds in 1915 and 1,230,800,000 pounds in 1916.

In 1876 is seen the long, lean, hungry Hawaiian leech applied to the back of the American sugar consumer: watch it grow, see how it has distended by 1890, when it seems to be comfortably full; in 1917 it has so gorged itself that its sides are inflated to the bursting point, yet it will never become satisfied. Unlike its animal brother it will never drop off of its own volition, but fasten its tentacles still farther into its victim and the domestic consumer will never be able to free himself till he rises in his might and forces Congress to free him from special privilege.

Prof. Taussig, head of the Tariff Commission, says regarding Hawaii:

"The political and social conditions resulting from this unexpected industrial development are obviously not consonant with the ideals of democracy. A great mongrel mass of sugar plantation laborers,—Chinese, Japanese, the wasting Hawaiians, a very few Portuguese; above them an oligarchy of rich planters with their banking and shipping agents and other associates, and a few hangers on; all dependent on a single industry puffed to unnatural dimensions by legislative favor,—this is not a welcome addition to the American commonwealths."

Hawaii's share of the billion dollar bounty is \$300,000,000.

The acquisition of Porto Rico and the Philippines, as a result of the Spanish-American War, added considerably to the domestic sugar production. Since 1901, when Porto Rico was conceded the full benefit of the tariff subsidy, the production of sugar cane has been greatly stimulated. Its production from that time to 1917 has been 4,363,000 tons, its share of the billion dollar subsidy tax being \$120,000,000. The Philippine producer has not received the same generous treatment from the Government accorded to the rest of the industry. It was not till 1909 that he received full benefit of the tariff subsidy and then it was limited to the amount of 300,000 tons; but legislation in 1914 gave him the right, free of any restriction. While Porto Rico sugar lands are worked to the limit to produce 400,000 tons, the out-turn from the Philippines when its limit is reached will run into millions

of tons. The Philippines' share of the billion dollar subsidy is \$45,000,000.

The blighting effect of a subsidizing tariff is strikingly demonstrated by the domestic sugar industry. Fostered and bolstered by the government—the domestic sugar consumer pouring money into its coffers in excess of a billion dollars, building by their combined efforts a splendid industry that is in position to compete with the world on an even basis. Yet when the calamity fell upon the world in 1914 the recipient of all these favors—special privilege in sugar—took advantage of its only customer, the American people, and increased its price over one hundred percent, while the increased price of production was negligible. And what of the Government that has pampered and coddled it? How did the domestic producer prove its appreciation for all these favors? "Facts About Sugar," the organ of the Domestic Sugar Producers says editorially on March 10th:

"The question whether our own tax on profits applies to sugar production is still undecided and there is room at least for a difference of opinion on this point." And on March 17th:

"QUESTIONS RAISED BY PROFITS TAX—Some interesting legal questions will arise in the near future as to how far various domestic sugar producers are subject to the new Excess Profits Tax. The law imposing this tax exempts from its provisions all corporations which are exempt under the Income Tax Law of September 8, 1916, and all partnerships doing the same business. The Income Tax Law referred to exempts 'any labor, agricultural or horticultural organization.' Under the previous laws of 1909 and 1913 the Treasury Department ruled that these words were limited by a subsequent clause in the same sentence reading 'no part of whose income inures to the benefit of any private stockholder or individual; but in the present Income Tax Law, Congress, evidently disagreeing with this construction, broke up the paragraph into separate numbered sentences so as to render any such modification impossible.

"The sole question for the lawyers to grapple with would seem to be whether any given corporation or partnership is an 'agricultural organization.' Every variety of case is presented by the domestic producers, ranging from plantations that sell their cane or beets to the mill, and those whose milling is incidental to their agricultural operations, to milling corporations that purchase the greater part or all of their supplies. Each case will doubtless have to be judged on its own state of facts. Under the Income Tax Law itself, if a corporation is exempt the stockholders would have to pay an income tax on their dividends, but under the Excess Profits Tax this burden would not be passed on to individuals."

On Jan. 11th, 1917, The Moody Manual Company's memorandum report from statistical department of Byrne & McDonnell—Investment Securities, San Francisco, says:

"The price of sugar in the American market is set, for all practical purposes, by the price of imported Cuban sugar, duty paid. Any additions to the tariff

duty would simply be added to the price of sugar to the consumer. A further increase in the tariff alone is not needed as protection to the domestic sugar at present price levels, and conditions in the industry are such that, aside from the slight indirect effect on demand caused by the resulting higher price level, any addition to the present tariff would add a corresponding amount to the profits of domestic sugar producers. An excise tax to offset any extra tariff would, under present circumstances, appear justifiable and under present circumstances would probably invoke no complaint.

"An excise tax alone, however, without any corresponding increase in the present tariff, would come directly out of the profits of the beet sugar and Hawaiian sugar companies. The trade conditions already explained make it practically impossible to pass along any such excise tax to the consumer. Important factors in our present national administration have in the past shown decided hostility to the domestic sugar interests and in our opinion, therefore, it would be well for holders of these domestic sugar stocks to watch carefully the news from Washington."

Then on March 29th, 1917, the Chicago Agent of the California & Hawaiian Sugar Refining Co. announced to the trade that if the Federal Government imposes war tax on sugar, this extra cost will be strictly for buyer's account. "This notice not alarmist but merely precautionary."

Showing conclusively that it would take everything from the Government but give nothing in return.

TARIFF NUISANCES.

Edmund J. Burke.

In addition to the increased cost to the people and the interference with both of which of course vary nearly in trade that is caused by a tariff tax, direct proportion to the rate of such tax, there is a very considerable cost and interference, more or less indirect to be sure, but actual in its operation, which is inherent in any tariff tax, whether it be high or low, a tariff for revenue only, or a tariff for the "protection" of a privileged few; namely the added cost in clerical work in making shipments and billing goods to any country or district burdened with a tariff as a part of its fiscal or economic system. This cost and interference exists whether customs duties are 1 per cent or 100 per cent and is just as burdensome in one case as the other. When shipping goods into a country having a tariff all goods must be weighed two or three times for net, legal and gross weights, instead of only once; bills, invoices, signed manifests or expensive legal blanks and sometimes witnessed by a Notary Public with all kinds of qualifications and oaths, must

be made out and executed, so that it is conservative to say that it is three times more expensive in clerical work to make a shipment to Canada or Europe or Australia even in normal times than to make the same shipment from one point to another in the U. S. or to England. Also of course the cost of customs houses, numerous officials, etc., is the same however high or low the tariff may be. So that absolute free trade, freedom from the restrictions of a revenue tariff of even the lowest and least objectionable type as to equitability, is the only remedy for relieving mankind from the expense and many other ills attending this form of unwarranted and mischievous interference with a perfectly reasonable and natural desire for trade between the individuals, corporations or associations of different countries. Probably the chief reason for the confusion that seems to exist on this question arises from the fact that for purposes of convenience in governmental and other reports the trade of the U. S. with Canada, England, Germany, etc., is spoken of. Now it is a well known fact that countries and governments as such do not trade with each other at all, but the people of these countries either as individuals or through partnerships, corporations, etc. When considered in this light it at once becomes apparent that it is just as reasonable and just as profitable and desirable for a man in Maine to trade freely with a man in New Brunswick or France as for him to trade with a man in New Hampshire or California.

"HENRY FORD'S OWN STORY."

By Rose Wilder Lane.

(Published by Ellis O. Jones, Forest Hills, N. Y. \$1.)

Here is a book rightly named: it is Henry Ford's own story, though it is recorded by Rose Wilder Lane, and written with great insight, imagination and understanding. It is written, too, as a narrative, not as a formal biography.

The tale is not merely that of making a fortune, however, as the average reader might expect, but the story of an ideal,—the ideal (in Mr. Ford's own words) of "the greatest good of the greatest number"; that is, the realization in practical life of the Golden Rule. Incidentally, Henry Ford has applied the Golden Rule to the problem of transportation and to manufacture; in short, to the providing for the masses of mankind of a cheap self-propelling vehicle. Every step in the realization

of this ideal,—from the invention of the right kind of engine, through the building up and management of a vast manufacturing organization, to the solution of the labor problem,—has been guided by this great ideal.

And yet Henry Ford is a practical mechanic,—none more practical. Could any lesson be of more value to the world?

With a complete absence of tiresome didacticism Miss Lane tells in less than 200 pages the romance of Henry Ford's career in realizing this ideal. And one lays down the book reluctantly, with a sigh for his inability to know how the "biggest fight" of Ford's life—mentioned in the closing words—is coming out. But one cannot doubt that a man with Henry Ford's faith in right will win this fight as surely as he has won the earlier struggles described in this book.

In successfully defeating the attempt of Big Business to control his invention; in breaking up the monopoly of the Seldon patent, and in disproving the false, selfish theories of monopolistic business—the theories that profits depend on oppressive treatment of laborers and raising prices through restriction of output—in all this Ford has done so much towards freeing trade that we cannot help indulging the hope that he will go further and meet the challenge of the Steel Trust in raising prices on his raw materials. The enormous profits of the Steel Corporation have been extorted through the existence of a prohibitive tariff on foreign steel products; whereas Ford's profits have been honestly made by his own efficiency, without any legal privileges. We cannot doubt that if a thoroughly honest and efficient man, such as Henry Ford, were to enter into active competition against the water-logged Steel Trust, with the ample capital behind him that Ford owns, he would win. Thus should we be freed of an enormous burden, and see a demonstration of the real weakness of monopoly founded on "protection."

In "A Conclusive Peace" (John C. Winston Co., Philadelphia, 50 cents) Dr. Charles Fremont Taylor, the editor of EQUITY, proposes for Europe an interstate commerce commission consisting of representatives from each European nation, this commission to regulate the flow of commerce by rail and water from all inland communities to open ports. He proposes that goods be shipped across intervening countries from the points of production to seaports in bond, and that no duties be collected except at their final destination. This, the author believes, would do away with one of the principal causes of war, by giving all nations an "open door" and "a place in the sun." He also suggests that an interstate commerce commission of this sort could gradually have its powers enlarged until it became an international legislature.

While we heartily favor Dr. Taylor's proposal, it seems to us that the establishment of entire freedom of trade through the abolition of customs tariffs would be a simpler method as well as a more radical one.

THE GREAT MISNOMER.

How a Name Misleads.

In Porritt's illuminating work, "The Revolt in Canada Against the New Feudalism," I find on page 197 a quotation from an address, July 29th, 1910, by John Evans, of Nutana, Saskatchewan, to the then Premier, Sir Wilfrid Laurier. Among other things, Mr. Evans said:

"The tariff system of protection can be called by different names which will help us common people to understand its meaning. It may be called trade restriction, class legislation, legalized robbery, mother of trusts, combines and mergers."

Mr. Evans struck a true note. For years I have been urging my friends to call protection by some name better descriptive of its meaning. I was pleased to see that President Wilson in his speech of acceptance prepared for the press placed quotation marks around the word "protection." Previously in his first campaign, Mr. Wilson had said: "I prefer to call it 'restriction.'" It is a satisfaction, however small, to know that the President challenges in this way the impudence of obstructionists who, in the name of "protection," prostitute powers of taxation for private purposes.

In his first speech in Parliament, young Richard Cobden struck a true note: "I have heard them called 'protections,' but taxes they are, and taxes they shall be in my mouth as long as I have the honor of a seat in this house."

That benevolent sounding word, "protection," is the chief asset of conspirators against the public good. "The spoil of the poor is in their houses." Nevertheless, they quiet and deceive victims by murmuring: "Protection!" Shakespeare asked, "What's in a name?" Owen Meredith replied, "The devil's in it!" If you doubt Meredith's conclusion, ask the Home Market Club if they are willing to replace the term "protection" by "prevention," "restriction" or "obstruction." You will find that the word "protection" is an asset of incalculable value in their nefarious work.

The idea of benevolence which attaches to the word "protection" will be weakened if we insist on using a true word, such as "prevention." Why not educate its victims by calling its methods "trade prevention," "trade obstruction"? These terms would challenge the impudent scheme. Lowell's advice was sound:

"Let us speak plain; there is more force in names
Than most men dream of; and a lie may keep
Its throne a whole age longer if it skulk
Behind the shield of some fair-seeming name.

For men in earnest have no time to waste
In patching fig leaves for the naked truth."

In the time of James II., Robert South, a famous preacher, entitled a sermon "The Fatal Imposture and

Force of Words." His text was, "Woe unto them that call evil good, and good evil!" His words are commended to thoughtless free traders who, by the careless use of the word "protection," play into the hands of conspirators against the public good. Dr. South said:

"From the beginning of the world to this day there was never any great villainy acted by men, but it was in the strength of some great fallacy put upon their minds by a false representation of evil for good, or good for evil. . . .

"The generality of mankind is wholly and absolutely governed by words and names, without, nay, for the most part even against, the knowledge men have of things. . . . The multitude of common rout, like a drove of sheep, or a herd of oxen, may be managed by any noise or cry which their drivers shall accustom them to. . . . And he who will set up for a manager of the rabble, so long as they have but ears to hear, needs never inquire whether they have any understanding whereby to judge; but with two or three popular empty words . . . well tuned and humored, may whistle them backwards and forwards, upwards and downwards, till he is weary, and get up upon their backs when he is so.

"As for the meaning of the word itself, that may shift for itself; and as for the sense and reason of it, that has little or nothing to do here. Only let it sound full and round, and chime right to the humor . . . and no doubt, with this powerful, senseless engine a man shall be able to carry all before him, or to draw all after him, as he pleases. For a plausible, insignificant word in the mouth of an expert demagogue, is a dangerous and dreadful weapon."

Shall we say "prevention," "preventive tariffs," etc.?

SAMUEL MILLIKEN.

Philadelphia.

THE REFORMER.

Before the monstrous wrong he sets him down—

One man against a stone-walled city of sin.

For centuries those walls have been a-building;

Smooth porphyry, they slope and coldly glass

The flying storm and wheeling sun. No chink,

No crevice, lets the thinnest arrow in. He fights alone, and from the cloudy ramparts

A thousand evil faces gibe and jeer him. Let him lie down and die. What is the right,

And where is justice, in a world like this?

But, by and by, earth shakes herself, impatient;

And down, in one great roar of ruin, crash

Watch-tower and citadel and battlements.

When the red dust has cleared, the lonely soldier

Stands with strange thoughts beneath the friendly stars.

—Edward Rowland Sill.

AN INCONSISTENT PROTECTIONIST.

George Brickett.

The writer of this communication wishes to make it a personal letter to you who are now reading it. If you have a sidewalk to be cleared of snow, how would you have it done?

Now, if you are a protectionist and a believer in the "Home Market" theory, you should take your shovel and do the work yourself. If you are a free trader you might choose to trade with a laborer who would do the shovelling. The laborer may ask 20 cents an hour and work two hours to clear the sidewalk, and it might take you two hours to do it. If you are a consistent protectionist, you will do the work yourself and save the 40 cents that the laborer would get if you traded with him, for you would have both the work and the money, a condition that you call a Home Market. If you are a free trader, whatever may be your occupation, be it a plumber, a railroad employe, a carpenter, or any other wage earner, you may see that by working at your regular occupation you may earn 80 cents, and that by trading with the laborer, that is, by giving him 40 cents, you will have 40 cents more yourself than you would have as a consistent protectionist. Instead of seeing the benefit that you receive by trade, you see only the 40 cents that you give the laborer, and you think it unwise to allow the man with whom you trade to get 40 cents from you.

I do you a wrong in assuming that you are a "consistent" protectionist. You are not, in this case, blinded by cries of "Dumping," "Foreign pauper labor," and "Home Market." You see it is money in your pocket to trade, and you are a free trader temporarily.

There are in foreign countries wage earners whose labor for three days you can get by trade for one day of your labor. Being blinded by "Cries" you do not see the benefit to yourself, but you do see that by trade you benefit only the foreigner, and your imperfect sight causes you to be an inconsistent protectionist. If it be a benefit to you to sell your labor of one hour and with the proceeds buy two hours labor of another man, would not the benefit be a benefit whether the other man be a German, a Frenchman, an Englishman, or an American? If you are a consistent protectionist you have to answer that a benefit received by trade with an American, would be an injury if received by trade with a foreigner.

Address at Annual Dinner

By President George Haven Putnam

We have come together, in this annual meeting of The American Free Trade League, to make renewed expression of our faith in the righteousness, in the justice, and in the essential importance for the interests of our own country and for international relations, of the creed of free trade, of the contention that freedom of trade is an essential condition of assured peace between the nations.

I take this opportunity to express my own sense of obligation to the group of public-spirited citizens who have, during years of discouragement in regard to the possibility of arousing national public opinion in behalf of the principles of freedom of trade, and in regard to the resulting impossibility of securing in our national legislation satisfactory action for the modification of our protective system, continued the organization of the league and have maintained the continuity of its purposes and ideals.

I belong to the older generation of the men who have in this country done work for free trade, and I had the privilege of being associated, as far back as 1867, with my valued friend, my father's old partner, David A. Wells, in the organization of The American Free Trade League. I am cordially appreciative of the great honor of being permitted 50 years later to hold place as president of the organization as successor to this great American economist. I wish that I possessed one tithe of his knowledge of the science of economics or in any satisfactory measure the clear-headed, practical New England understanding with which, when the opportunity came, his enormous knowledge was applied to the problems of each year.

I may recall to you that Wells, a Democrat and a free trader, was in 1862 called into the councils of Lincoln's administration for the purpose of giving aid in working out the great financial problems that then confronted the nation. A new post, that of special commissioner to the treasurer, was created for Wells and he did his part to render service to Chase in the difficult task of providing the moneys required to carry on the war. The expenditures of the years 1861-65 look inconsiderable today as compared with the stupendous outlays that are being incurred by England, or by France, or with the appropriations that have been passed, with hardly a question, by Congress for our own contributions to the war.

But when, in 1862-63, the Treasury was compelled to find money to meet outlays aggregating from two to three millions a day, it seemed to those who had the responsibility in Washington and to the citizens back of the Government, with whom rested the work of finding the money, a very great task indeed.

Wells also rendered service in collecting information and in shaping reports for the work of the committee on ways and means of 1862, a committee which produced the most burdensome

tariff that had been known in this country.

Wells had given his voice and influence against the issue of legal tender currency, but when he found that it was impossible to withstand the force of opinion in Washington, and, for that matter, throughout the country (an opinion based on ignorance of the financial history of the world) in regard to the desirability of utilizing what seemed to be an easy resource, a resource calling only for a number of printing presses, he did what was in his power to minimize the evils of a system of irredeemable currency. In like manner, he was ready to give all the service in his power, with his enormous knowledge of details, of statistics and of economic conditions in the United States and throughout the world, to place trustworthy information before the committee of ways and means. He had, of course, no faith in the wisdom of the tariff measure which that committee worked out. He pointed out to the leaders in the committee that in a number of cases the duties were made so high that the importations would be lessened or stopped altogether, with a proportionate decrease in the revenue secured.

In a few cases, he was able to reduce the rates of duties first suggested, but for the larger portion of the list the duties were made so high that the importations of the articles in question were seriously lessened or blocked altogether.

The average Congressman of that day, and the voter behind the Congressman, could not get out of their minds the feeling that if a duty of 50 per cent would produce a million dollars, a duty of 100 per cent could be depended upon to bring in two millions of dollars. Wells was willing, patriotic citizen as he was, to incur the discredit of being associated with an administration that made itself responsible for an unwise and unsafe financial system and an inequitable and (as far as revenue was concerned) a more or less futile tariff system. The first purpose of Wells was to serve his country, and in this purpose there was no thought of self. He simply did his work honestly and faithfully under the conditions with which he was confronted.

One of the instances in which Wells did finally succeed in bringing common sense to bear upon amateur and wild-cat legislation was in the matter of the whiskey tax. The Congressmen who wanted to secure from this source the largest amount possible, fixed a tax, first, of one dollar and then of two dollars a gallon. Whiskey cost to produce at the time 40 cents a gallon. Wells pointed out that the difference between the cost of manufacturing the article and its value placed in the market, with its added tax, was so great as to constitute a direct encouragement for fraud, for the placing in the market of whiskey which had not paid a tax. The result justified very promptly his prediction that the tax at two dollars produced less money than had been

secured with a tax of one-fifty, or with a tax of one dollar. Wells succeeded in getting the tax reduced to fifty cents, and on this basis secured a very much larger return than had come to the treasury from the higher rates. Fraud on a large scale was not profitable when the tax was only fifty cents.

Wells was one of the first, if not the first, American member of the Cobden Club, and it was through his nomination that, youngster as I was, my name was included, as far back as 1867, in the list of Americans who had accepted the principles of Cobden and who were prepared to do what they could to bring these principles to bear upon the national policies of this country.

Many of you will remember that from 1867 on, the American members of the Cobden Club were accused of carrying on propaganda in this country with the aid of British gold. These charges came up with special virulence at the time of congressional and presidential elections. I judge that the patriotic citizens who have given unselfish work through the years to managing the finances of The American Free Trade League would be able to certify not only that no British funds came into their hands, but that it was by no means easy to secure funds from any source whatsoever.

I may recall the action of a public spirited citizen, Edward H. Van Ingen, of New York City, in connection with these repeated charges that payments were being made to American citizens to carry out "British policies" in this country. It was at the time of the presidential election (I think possibly that of Garfield). A paper in Burlington, Vermont, made a very specific statement that the American members of the Cobden Club were working with the aid of British money to influence the voters, and the names of some of these members, including, as I remember, those of Van Ingen and myself, were specified. The article as printed in the Burlington paper was copied in a number of Republican papers throughout the country. The charge was somewhat more specific than those that had previously come into print. Van Ingen brought suit against the publishers of the paper for a libelous statement. The paper had practically no defense. Its representatives were unable to present the smallest evidence of the truth of their statement. Van Ingen contented himself with a nominal penalty. He took from this paper one hundred dollars. He collected a similar amount from each paper which had copied the statement, and the series was a pretty long one. The money was in part at least used for the printing of Free Trade documents, but the important thing was not the collection of the money, but the lesson given to the protectionist editors that they must stop bringing into publication libels against American citizens who were at least as patriotic as themselves.

It is wise from year to year to make an honest estimate of the conditions before us. We may frankly admit that, under the influence of the bitterness engendered by the war, the difficulties in securing consideration for a policy which you and I believe to be the only civilized relation between

states, namely a relation not interfered with by artificial and unnecessary barriers, has been very much increased. The urgent necessity on the part of all of the nations concerned in the war to neglect no source of possible income will, of course, give a fresh text to those who emphasize the convenience of getting in money without calling upon the citizen for a direct payment or tax. These people believe that if the tax can only be hidden in a woolen blanket or a ton of steel, the citizen will never know that he is making any contribution to the support of the government or that any burden has come upon him. These men will clamor for an increase in all the tariff schedules, oblivious now, as they have been in the past, to the fact so repeatedly confirmed that for a long list of articles the higher the tax the smaller the revenue.

I hold that we free traders while holding consistently to our faith for absolute freedom of trade, as the proper and civilized policy, and reaffirming this ideal for the education of successive generations of voters and of legislators, can to best advantage devote our energies, in the first place, to withstanding any additions to the tariff barriers and, secondly, to a reduction of the existing barriers towards the policy of a tariff for revenue only. The men of my generation may hardly hope within their life time to see any larger reform in the tariff system, at least in the United States, than the elimination from the schedule of the duties that bring in no revenue and a selection of the articles that are to bear duties higher or lower, of those the taxing of which will secure with the least burden upon the country,—that is to say, with the smallest increase in selling prices,—the largest return for the treasury. When a citizen has once been educated to the essential difference between the application of the power of the government for securing through the customs a part of the revenue that is needed, and the application of this same power for building up, at the expense of the community as a whole, groups of favored industries, we shall have made a large step forward in the education of the American voter and of the American legislator.

The next step will be to emphasize for the education of the citizen who desires to use his vote intelligently, that he should work for a national policy which—in place of an arrangement that conceals for the moment the increased cost of an imported article, the moneys for which the government has requirement,—shall be collected from direct taxes. The citizen then realizes the fact that he is taxed and knows the amount of the payment made. This gives him a much more direct and intelligent interest in the policy of the administration which is to utilize the money. He realizes from year to year in regard to the operations of the national government what is realized under the present system by each citizen of a municipality,—whether the administration is extravagant or is economical.

When this step in the citizen's education has been taken, the system of duties for revenue will be gradually re-

placed by a system of direct taxation. England has, in my judgment, come pretty near to an ideal system under present conditions for the use of the customs. The customs portion of its revenue amounts (under normal conditions) to about one-half of the whole and is, as you will bear in mind, collected from fourteen articles. The amount paid by the taxpayer in the increased cost of these articles, no one of which is produced within the British Kingdom, goes into the treasury in full, less only the expense of collection.

It is certainly in order for our organization to express its decided disapproval of the haphazard method in which the present Congress has undertaken to increase the revenue from customs. In placing a duty of ten per cent upon a series of articles now on the free list, and in making an even increase of ten per cent in the entire schedule, tariff makers have shown lack of discrimination and their work has been done without judgment. For certain classes of importations, the addition of ten per cent may not prove a serious matter; but to make such an addition on the cost of certain lines of raw materials, or of materials described as partially manufactured, may easily bring such addition to the cost of manufacturing in this country as will lessen the wealth of the country to an extent that cannot be offset by the additional amount secured by the treasury. The free list, not yet by any means as large as it ought to be, that was established under the Underwood tariff, marked, as we all hold, a distinct step forward towards civilized conditions. The requirements of an income for war purposes cannot justify the bringing back again into the list of dutiable articles works of art. The work of placing these on the free list had been a labor of many years. The educational importance of works of art had been fully recognized. It will now become necessary during the war, or perhaps after the war, to go over the weary ground again and to make clear to our legislators that works of art are not for the luxury of the rich, but for the education of the whole country.

Our consideration is naturally to be given today more particularly to the influence that believers in freedom of trade on both sides of the Atlantic should endeavor to bring to bear on the settlement after this war. We may recall, as a text for our efforts, the saying of Kant that "no treaty of peace is worthy of its name if contained therein are the hidden germs of a future war." Believing, as we do, that tariff barriers and the friction produced by selfish tariff policies, have been, and must continue to be, most pernicious causes for war, it remains for us to do what may be possible to emphasize this belief with the national representatives who will have in their hands the direction of the policy of the Peace Congress. History makes clear that nations have before them the alternative either of liberty of international trade, or of continual international frictions and conflicts. We demand consideration for a policy that shall represent the economic co-operation of peoples, not only because such

co-operation constitutes the basis of international morality, but because it will constitute the best foundation for the maintenance of assured peace. Nations have with each other but two sets of relations, one based on force and one on exchange. Exchange means not only the passing of goods backwards and forwards, but as a necessary result of commercial relations, the passing of men across the boundaries. National prejudices are, as we all know, based in the main on national ignorance. The larger the interchange of men between any two countries, the closer the web of commercial interests that as a result of these relations is built up between two countries, the larger comes to be the knowledge about each of the other. The exchange of travellers, and above all the exchange of books, the transmission of literature, means the exchange of ideas. It is through the largest possible circulation of literature, which ought to know no political boundaries or restrictions, that there comes the exchange of ideas. It is in this way that people learn to think together and to feel together. It is the fact that our people in the United States have from colonial days been brought up so largely on English literature, and that we have, through the productions of English authors, absorbed English ideals, English ways of thinking, and ways of feeling; it is because we have thought and felt together with our English kin, that we are today, in spite of not a few episodes in the past representing grievances, friction and fighting, prepared for the closest and fullest co-operation with England in the great fight for civilization. It is because we have thought together and felt together that we are now able to fight together.

The physicists tell us that life is expressed by motion, and what is true of atoms, which in the varying associations brought about by motion are apparently responsible for the differentiation in the material expression of a physical universe, is, of course, true for men. It is by motion, it is through interchange, it is in the activity of intercourse, in the width and freedom of their international associations that nations develop their civilization, that men come to understand the meaning of humanity. If such freedom of thought and closeness of relation has value for individuals within every civilized community, it is evident that there must be an assured value, and in certain ways a larger value, in extending the opportunities for freedom of intercourse and of relation between the individuals of different communities and of different nations. When we have once persuaded the diplomatists and the legislators in our own country and throughout the world to accept what seems to us to be an elementary truth, that national lines should not be permitted to interfere with the freedom of exchange—always valuable, and in fact essential, for the citizens of any one state and for the communities within any one nation, and that with a real freedom of exchange of goods, of men, and of ideas, the political lines will become of less and less importance, and the world will have taken a great step forward towards civilization.

If it be true that barriers of trade and of intercourse when made absolute must check the development of any community, must prevent such community from securing its share of the advance in the world's civilization, must cause the citizens of such a community to fossilize into policies based on local prejudices and general ignorance, it must be equally true that barriers which work in this direction, which bring about only a proportion of the evils of isolation, are to just the extent of that proportion an evil to be equally condemned and fought against. In fighting for freedom of exchange for goods, we are also doing our part towards the development of a system of international law. There can be no full recognition between the citizens of different states of the requirement for equal justice without any restriction of nationality, when those communities have decided to shut themselves off from each other by barriers that stop or that even hamper intercourse.

International law will in its final analysis be found to be based upon international justice and this cannot exist in satisfactory measure without economic liberty. The burden rests, of course, upon those who are maintaining the wisdom and the advantage of these barriers between nations, to prove their case. It will not be easy for them to make clear what advantages can result from such barriers sufficient to offset the disturbance of natural relations. Each man in this world has the original right to unrestrained relations with his fellow men. The system that interferes with those relations must prove its right to exist. We deny the possibility of such a proof.

The antagonists of England in the present war have endeavored to offset the criticism of domination of the earth by "militarism" with a charge of domination of the seas by "navalism." It is well to remember that England, which has been ready during generations to make great sacrifices for the maintenance of its fleet, has from the beginning utilized that fleet not for checking human relations, not for interference with the trade of its rivals and its sometime enemies, but for the protection of the freedom of the seas for such trade. We may fairly contend that the nation that is permitted to have command, or even partial control of the seas, must be one that has accepted, and is prepared to defend, free trade principles. The seas have been free, although the lands have been, and are still, hampered with armies and with tariffs.

Knowing, as we know, that greed for trade expansion and jealousy of the trade development of the neighbor who desires to secure an exclusive control of this or that market, have been the causes of modern wars, we take the ground that the peace to be secured is not to be a peace within the control of any one empire, not a *pax Romana* or a *pax Britannica*, and least of all a *pax Teutonica*, but a *pax economica*. Such a peace will be based upon a fair recognition by each nation of the lines of development, the natural claims for consideration by each on the part of the other. Each nation will, on economic grounds, recognize the advantage

in leaving to each other freedom of economic development. When the supplies that the world is capable of producing are produced with the greatest economy and are delivered with the least possible cost to the consumers, the enormous saving in the cost of living will enable resources to be accumulated for the benefit of humanity. A recognition of this elementary principle in our creed will itself constitute a large factor towards bringing about the permanent and assured peace.

We may emphasize also that, as men throughout the world are recognizing their need for this or that class of food, or of medicine, or of material for clothing, freedom of trade lessens the risk of the institution of monopolies which may control, and which under a system of national barriers have so often for specific territories controlled, the price of articles for life.

We may remember in this connection the history of the American tax on quinine. We were told by the concerns controlling the production of quinine in this country,—but four in all,—that if quinine were admitted without duty, the American machinery for its production would be crushed out, driven out of existence, and that the cost to the consumer would be very much greater. The one achievement that our Free Trade League had to its credit for a fight continuing for 25 years was the freeing of quinine from duty. The four firms were not driven out of business and they continued, with improved methods and with better relations with other concerns throughout the world, to supply the American market with quinine, and the consumer found that the cost of checking his malaria fever had been reduced to one-quarter or to one-third. A large number of the apprehensions that have been given to the public as to the ruin of this American industry and another, if it were put upon a fair competitive basis for producers throughout the world, a fair field with

no favor, would be shown to be equally unfounded.

We may foreshadow here the policy that we propose to maintain, whether or not we can secure at this time back of this policy the support and the influence of any group of nations or of any large number of the representatives in the coming world's congress.

The late Prime Minister of England, Mr. Asquith, defined the aims of England in this war of German aggression as "the substitution for force, for the clash of competing ambition, for grouping and alliances in precarious equipoise, the substitution for all these things of a real European partnership, based on the recognition of equal right, and established and enforced by a common will. There is no room here for a bitter and elaborate trade war against the Central Empires, or between any two or more groups of confederated states."

Two years later, Mr. Asquith repeated and enlarged this statement of the British policy that should be supported, and this time he took pains to include in the proposed compact the American Republic. He said:

"The public rights, what does this mean? An equal level of opportunity and of independence as between small States and great States . . . safeguards resting upon the common will of Europe . . . and I hope not of Europe alone,—against aggression, against international covetousness, against bad faith . . . and finally, as the result of it all, a great partnership of nations, confederated together in the joint pursuit of a freer and fuller life."

This, gentlemen, is our aim. The American Free Trade League accepts such a creed and holds that the freer and the fuller life is to be secured only through the widest possible freedom of trade, a policy of exchange between the nations of the world of goods, of men, of ideas and of ideals.

Address of Mr. E. H. Clement At the Annual Dinner, May 22, 1917

I shall have to be pardoned for being rather personal and partisan than prophetic and philosophical in the few remarks I have to make. He is a rash man, indeed, who, having seen what we have seen for two years past and what we see today, would venture to say what tomorrow, or the next hour, tonight, may bring forth. "I know of no way of judging of the future," said Patrick Henry, "but by the past"; and the past thirty or forty months have taught us that nothing is too strange, too monstrous and horrible, or, on the other hand, too hopeful and inspiring, to happen from month to month. Nothing is stranger, for instance, than that the President, who was elected expressly on the ground that "he kept us out of war," has landed us in war with both feet. Nothing could be stranger than that but the fact that it is equally with the profound conviction and approval of the same great majority

that placed the awful trust and responsibility upon him. Yes, there is one stranger thing than either of these others, and that is that the whole 100,000,000 of us—Republicans and Democrats, jingoes and pacifists, East and West, North and South, the Atlantic and the Pacific coast men, women and children—with one common consent, held their breath through January and February, waiting for him to make up their minds for them. Never was there a more impressive demonstration of leadership—of the power of one mind over a nation's mind—of the sovereign rule of purity and disinterestedness of purpose, of character and manliness and good will, bearing itself in unaffected modesty, equal to its determination, to sway beneficently vast masses of men.

There is one other rule of judgment as sound as that of judging the future

by the past, and that is the kindred one of judging a man by his own record. "Men do not gather grapes of thorns nor figs of thistles." It is no accident or paradox that the pacifist, re-elected President because he "kept us out of war," has projected the largest navy the world ever saw, is raising the largest army outside of the military camp that Central Europe has become, and has just launched greater war loans to be handed over to allies than the wildest national finance ever dreamed of. He has done all these paradoxical things, and actually "got away with them"; is really "putting them over," as the expressive slang of the day goes—working these unprecedented wonders that were "sometime a paradox," simply because he has made over war itself; transformed it from its ugly, infamous, shameless character of aggression for greed and conquest into a sort of twentieth century crusade—a holy war, nothing less—for liberty and righteousness—in a spirit and purpose of world service that makes mere patriotism itself look small, and establishes internationalism as the future policy, by which the salvation of the world will be won, if at all.

Whene'er a noble deed is wrought,
Where'er a noble wish is thought,
All souls in glad surprise
To higher levels rise.

No one can look up through the canopy of waving flags, thickest where hitherto self-considering and self-seeking merchants and capitalists and financiers most do congregate,—think of it—thickest there except, perhaps in those great avenues of the Back Bay, where the bulk of the super-taxes to pay for the war will be collected—without sensing the presence of some new sort of "mystic chords," signifying, in a supernatural way, the drawing together of the men of good will, of all lands from our own farthest coasts, and those of the other shore of the Atlantic to the farthest confines of Russia and China, with their newly-risen manhood, eagerly hearing for the first time the message of equal rights and of the "consent of the governed."

It so happens that I have had a passing summer vacation acquaintance with President Wilson—then president only of Princeton University. He had, up to that time, so far as anyone knew, never thought of entering politics; but he was soon thereafter—as a consequence of his temporarily-balked purpose to have and hold Princeton democratic instead of a resort for idle, rich youth—to become Governor of New Jersey. Touching elbows with him every day at breakfast, dinner and supper, at a modest country boarding house in Connecticut, I came easily and naturally enough to know something intimately of his political and social predilections. What most impressed me, and what is most significant in connection with the cause of Free Trade, to which I know he was profoundly devoted, as a principle and an ideal, was the summer-time incident of the return to this piazza dinner table in old Lyme, in Connecticut, of a

triumphant beneficiary of the Adrich-Dingley tariff, at that time in the "revision upward," which carried seeds of the decay and downfall of the Republican party, as it proved. This beneficiary, a New York manufacturer, was celebrating, in genial fashion, with the boarders, his success in foisting upon the hosiery schedule an increase of 15 per cent in the particular goods he was making. I noticed that Mr. Wilson was silent amid the hilarity, and suggested my introducing him to the new guest. But he drew back with genuine disgust, refused to be introduced or even to notice him, though he sat nearly vis-a-vis. "I know the type," he murmured in my ear with unaffected and unconcealed loathing. I have not the least question in my mind that if there has been any talk at Washington between the high commissioners of Great Britain and France on tariff matters, there was a negative and emphatic response from President Wilson to anything looking towards the revival of the spirit of tariff war showing the cloven hoof in the already-discredited Paris Conference. Protectionism has, in fact, characteristically thrust itself freshly forward with the customary cheek of the commercial traveler, in the person of that son of his father, Austen Chamberlain, in the very midst of the worst pinch of England's crisis; and sly measures are all the time being considered and concerted in the commercial classes of this country against the trumped-up boggy of excessive imports after the war from the countries whose normal industries have been practically disorganized. We must not expect that crafty, human selfishness is to be extirpated by the outburst of generous world sentiment, transcending, for the moment national interests and national patriotism, evoked by President Wilson's matchless statesmanship.

It is true, men have made a beginning now, under that inspired leadership, of regarding the life of mankind as not a number of separate fragments, but, in some sense, a whole. As Bertrand Russell—that British philosopher whom Mr. Balfour's Government prohibited from lecturing at Harvard this winter—says, in that new book of his, "Why Men Fight," "The war has made it clear that it is impossible to produce a secure integration of the life of a single community while the relations of civilized countries are governed by aggressiveness and suspicion. For this reason, any really powerful movement for reform will have to be international; a merely national movement is sure to fail through fear of danger from without. "Within the nations," Professor Russell goes on to say, "the wish to plunder others is recognized in theory to be bad; but the fear of being plundered is a little better. Yet these two motives between them dominate nine-tenths of politics and private life." This distinguished pacifist and victim of the British censorship concedes, however, that the "impulses by which the war has been produced and sustained, come out of a deeper region than that of most political argument." But only to insist that "the opposition to the war, on the part of those few who have opposed it,

comes from the same deep region." Mercantilism and industrialism Russell regards as destructive of the higher life. "Except slavery, the present industrial system is the most destructive of life that has ever existed," he says. But still he believes it possible, as it is necessary, to create a new hope, to build up by our thought a better world than the one which is hurling itself into ruin.

But we are confident, from what we have now seen of President Wilson and his development of fresh power under the stress of these ever-recurring crises, that Bertrand Russell's appeal to President Wilson, sent to the White House by a special messenger to avoid the English censor, will not have been in vain. The President had already anticipated it by laying the foundations for world organization. Russell's appeal concluded: "While all who have power in Europe speak for what they falsely believe to be the interests of their separate nations, I am compelled by a profound conviction to speak for all the nations in the name of Europe. In the name of Europe, I appeal to you to bring us peace." Wilson's answer, as is now evident, was already framed in his mind. It was given to the world, and eagerly accepted, as the new faith in democracy, in the President's address to the Senate of April 2, 1917, now seven weeks old, but the world's slogan for generations to come.

Editor's Note:—Just as the BROADSIDE goes to press, President Wilson's answer to the Pope's peace note offers striking confirmation of Mr. Clement's faith in the President's opposition to the tariff proposals of the Allies' Paris Economic Conference. He says: "... The establishment of selfish and exclusive economic leagues, we deem ... no proper basis for a peace of any kind, least of all for an enduring peace." This leaves no doubt that we have a genuine Free Trader in the White House.

A splendid opportunity to spread our ideas and help in the achievement of our ideal, is offered by the recent organization of the People's Council of America, with headquarters at No. 2 West 13th street, New York and branches in all the principal cities. Our Vice President, Mr. David Starr Jordan, is the Treasurer of the national organization, whose full title is "People's Council of America for Democracy and Peace." One of the chief aims of the Council, which already has over two million supporters, is to bring about permanent peace along the lines proposed by the Russian Provisional Government: no punitive internments, no annexations, and no economic war after the war. As this program has been endorsed by the Workmen's and Soldier's Councils of both Russia and England and by the majority of the German Reichstag, it would seem that Free Traders of America have a golden opportunity to help this large and influential democratic union of all kinds of people work for the realization of our ideal.

The Way of Salvation: An Economic Peace

Address at Annual Dinner by Henri Lambert

"That the essential principle of peace is the actual equality of nations in all matters of rights and privileges."—Woodrow Wilson (Inauguration Speech).

1. Fundamental Justice.

Harmony between men, peace, be it social or international, will never exist and endure unless founded on justice. Injustice, insecurity and conflict are inseparable; justice, security and peace likewise. With insecurity, every man must be a master or seek one. That the peaceful progress of Humanity and the continuance of civilization depend fundamentally on justice, social and international, may be accepted as a political axiom.

The all important question, therefore, is to know what, fundamentally, justice is. Obviously it is justice in the fundamental relations of men, that is to say, in their relations concerned with their fundamental needs, their means of subsistence—food, clothing, shelter. Fundamental justice is justice in economic relations.

An international status making for good-will, harmony and peace, because resting on justice, must first of all afford to all nations equality in economic rights, that is to say, equal opportunities of peaceful economic activities and welfare. Of this the ultimate and complete expression will be absolute international freedom of mutual economic services.

The pacifist, the international lawyer, the statesman studying the peace problem and overlooking the necessity of this international economic basis, is to be compared to an architect who, planning a splendid cathedral, should lose sight of the need for it of a solid concrete foundation. Their work is worthless. Their edifices would crumble, even before completion.

2. Free-Trade, the Only Peace-Maker.

Richard Cobden has said: "Free-Trade is the best peacemaker." We make bold to say "Free-Trade has become the only peacemaker."

The desire to suppress armies and navies to have "freedom of the seas," to institute "World's Court," to organize "Leagues to Enforce Peace," in order to suppress wars, proceeds from an extraordinary illusion. The truth—a truth of simple common sense—is that it is necessary to begin by creating international security before suppressing, or even limiting armies, navies, and achieving "freedom of the seas." The truth is that it is necessary to begin by propounding and accepting the principles of international justice and morality before instituting tribunals for judging offenses against international rights and morals; that it is necessary to commence by adopting the conditions making for a just and worthy peace before "enforcing peace."

Now in our epoch of industrial and commercial development the basic principle and condition of international security, morality, and peace are equality in economic rights, reciprocity in opportunities offered and services rendered, a progress inseparable from interna-

tional arrangements practically tending towards freedom of economic relations. It is along these lines that we must seek and can find the only means of pacifying the world and saving civilization.

This does not mean that the future regime of economic relations is the only international question, but it does mean that being basic it is the first to be solved. It is, moreover, the one question of which the solution would bring about the international good will and good faith indispensable for any prospect of a fair examination and successful settlement of the other questions.

3. "Reductio ad Absurdum."

If the protectionist system were in conformity with economic truth and usefulness, the securing by nations of exclusive and monopolistic economic domains could alone respond to the real and inevitable needs of progress and civilization. The founding by every nation of the greatest possible "empire" would then be not only a national right but a national duty—the fundamental national "virtue." Conquest would be justice; permanent war would be the true international morality.

In that case imperialist Germany would have been right in provoking this war, and Great Britain would be right in becoming protectionist and militarist, she would only be doing her duty vis à vis herself if she carried through her projected enterprise of securing the third of the productive territories of the World for her own more or less exclusive exploitation and advantage; we should be obliged to approve and praise her if she succeeded in establishing the greatest territorial and commercial monopoly which ever cumbered the world.

Protectionism and militarism—which are inseparable—thus being truth and right, our democratic ideals of liberty, equality, fraternity, human co-operation, and our whole conception of civilization would appear to have been fundamentally wrong. But then what are we complaining of? and what are we fighting for?

4. Past Failures and Present Duty.

If Germany and the United States, following the meritorious and persevering example given to the world by Great Britain during more than sixty years, had become free-trade, an alliance between Germany, the United States and Great Britain would have been quite naturally concluded more than thirty years ago. France would have joined them, perhaps after some hesitation. The whole world would have been legitimately controlled and administered by these great progressive peoples allied for Good and Progress. They would have led all other peoples in the ways of liberty, true democracy and peace. A policy of association and co-operation of nations would have been substituted for "Imperialism." Humanity would not have followed the lead of the "Empire builders" and thus taken the ways of barbarity. Not only all our present international trouble

and our future trouble with the yellow world (for half a century misled by our bad example) but also a great part of our past and of our future terrific social disturbances would have been avoided.

Probably the only remaining chance of salvation for our civilization is in the adoption by the United States and by Germany, and the preservation by England, of a policy of international economic freedom and morality.

5. The Democratic Peace.

This war can end safely only with a victory of freedom over Autocracy—aye, of freedom over Democracy! For, the world could not be made safe for "Protectionist Democracies." It cannot be conceived as a harmonious ensemble of nations restricting one another's "making of a living"—even if these nations pleased to call themselves "Democracies."

For desire of territorial aggrandizements, for war, conquest and "Imperialism" ((democratic or autocratic) there exists, by nature and force of things, only one desirable and infallible alternative: the international policy of freedom of mutual services and complete equality of opportunities; for the national "will of power" the only conceivable substitute is the international "Will of Equity." Therefore, not a "league of nations" for the enforcement of peace, but a "Concert of Nations" for the establishment of economic liberty and equity is the safe democratic alternative of the "Balance of Power." An international community of interests is the natural and definite substitute for "Hegemony."

Have democracies never waged wars, never made conquests, never proved imperialist? It will no more be sufficient for democratic nations to declare themselves peacefully inclined; it has become necessary for them to give one another and to the whole world the practical proof of their desire for peace by creating the natural condition making peace desirable and possible for all nations—by establishing the natural and universal basis of peace.

To those who have a justified horror of an autocratic Pax Germanica, who do not want a Pax Britannica—nor wish for a Pax Americana—there remains one hope: that of the advent of the democratic Pax Oeconomica.

Pax Oeconomica, solving word, saving truth, necessary asset of Democracy, departure in the History of Mankind!

6. Armageddon and Madness.

"Where there is no vision, the people perish."

"Blind leaders of the blind."

But all nations appear to be waging this Armageddon with the view of establishing among themselves a system of accentuated privileges and mutual economic exclusions, which more than ever will make for desire, and may be for real necessity, of conquest and hegemony. Brought about by monopolism, this seems to be a war waged by monopolists against other monopolists for

the sake of more future monopolism. Not entirely unconscious of the inevitable result of their projected policy, the "Protectionists" of all countries urge "preparedness" for future wars. Meanwhile the peoples are fighting to death for the preservation of an error—for the continuance of the most formidable of all international errors, they are fighting "to a finish" for the accentuation of the very cause of their fighting. Among the statesmen and the great politicians of Europe no one yet seems to realize this monstrous stupidity of the international situation.

Voltaire never could have expected such a gigantic and fearful confirmation of his oft-repeated contention that "with pearls and diamonds common-sense is on earth the most precious but also the rarest of all things."

Perhaps the explanation of the present situation of the world is to be found in the "quos vult perdere jupiter dementat prius"—it seems as if the gods had enough of the protectionist stupidity and immorality and as if, having resolved the destruction of the peoples had begun by making their leaders and rulers mad.

7. The Revolt of Truth Against Error.

And yet improvident business men, foolish politicians, weak-minded "leaders of thought," after three years of this terrific lesson of things, do you not see yet the deep significance of this war?

It is a war of conquest provoked and waged for possession of more soil, for more security and stability of economic opportunities, by a nation which, not without reason, complained of not having her "place in the sun." Why? Because the occupation of the countries by the nations threatened to be more and more coupled with the monopolization of the opportunities which they offer; for, the exchange of the products of the lands was not free, and unceasingly threatened to become less and less free. Through division of labor and through exchange, the opportunities and the products of the earth are and must remain the gifts of God to the whole of human kind. Short of this the law of the "survival of the fittest" obtains. Thus men must co-operate,—or fight.

It is true that the complaining nation was herself the worst foe of liberty, international equity and true human progress. But in its hideous fear and hate of freedom, in its monstrous selfishness and greed, in its ignoble exploitation of its ignorant "protected" people, a protectionist and plutocratic autocracy is a consistent organization. Whereas, internationally or nationally, a "protectionist democracy" is not a democracy. At least it will and cannot be a lasting democracy; it sooner or later will end in war or revolution—or in both.

No ideals of world domination, moreover, would have sufficiently developed in autocracies, no aggressive influences and interests therein would have become powerful and daring enough for precipitating their peoples and the world into this catastrophic abyss, if democracies had shown to the misled peoples of autocracy the ways of international freedom, equity, progress, and true civilization. Have democracies given such distinguished examples?

Have they not rather all, with the autocracies, more or less sunk into a contemptible bourgeois-Plutocracy — with its present international and coming national consequences?

This war is a revolt of the invincible nature of things and the insuperable force of truth against the errors and falsities of the international policy of all nations. When its real cause and deep significance are understood by the peoples, there will be no more place for international hatred, but only for mutual reproach of ignorance and error. Reproaches specially bitter and deserved will be addressed to the "leaders of thought" and to the "great statesmen." The false prophets of pacifism, of bellicism and of protectionism will be cursed and stoned and the preachers and singers of hate will be despised and ridiculed.

8. The Peace of Wisdom and Love.

Thus it is seen that for the reign of Justice and Peace it is not requisite that human nature be reformed. If it were so, humanity would indeed have a hopeless future. Men are not naturally wicked. On the contrary they are naturally social and inclined to mutual sympathy. But they are naturally ignorant. Humanity has originated, and men are born, in ignorance. They continue to behave unjustly one with another (in most cases thinking that they behave justly) because they have not yet the knowledge of what is just and unjust. Behaving unjustly they create insecurity among themselves. And then they behave wickedly (they lie, they defraud, they hate, they destroy, they kill) in order to subsist and survive in the insecurity which their ignorance has created.

Wars and revolutions are the outcome of international and social unintentional injustice much more than of international and social wickedness. The world wants wisdom more than goodness. Civilization could not be promoted by good and ignorant feelings; it can be saved and furthered only by intelligence. "Ignorance is the curse of God, knowledge is the wing which shall bring humanity to heaven."

Knowledge of international and social justice, creating security and peace, and permitting the fulfilment of human spiritual finalities, can only be found in the study of the laws of nature, which are the living and ever present expression of the will of God.

The fundamental natural ethical law is that of freedom to produce and to exchange, permitting all men and all nations to "make their living" and to develop peacefully in prosperity—to "multiply and replenish the earth."

When men know and observe that natural and divine fundamental law of the real Fatherhood of God and Brotherhood of Men, they will be permitted to live in deserved peace and ultimately in love—but never before.

9. The Whole Pacifist "Secret."

With the exception of a few mystics and idealists (who deserve some sympathy and even respect) there is practically no individual on earth who in his private life does not, as a natural necessity accord to his "economics" a primary importance. Nobody, however, seems to realize that this care is even more legitimate and unavoidable on the

parts of nations—whose security depends on economic development and whose rulers, unlike private men, have no right to be disinterested, unforeseeing, unforethought.

Under the system of international free trade, the economic opportunities, possibilities of development and "place in the sun" being world-wide, would for all nations, great and small, be brought to their maximum and be equal. International justice and security would be practically complete. International Peace would have its true permanent foundation. Such is the whole pacifist "secret" which Nature and God want men to discover.

Humanity, like a child, should be led by the hand up to the screen which, by the will of the Protectionists, and with the consent of the Pacifists, hides from its eyes that fundamental and simple truth. When the screen shall be raised, men will not immediately thoroughly understand what they see. But they will know that there exists a comforting, hope-giving and consoling thing which hitherto has been hidden from them. They will thenceforth dream, think, discuss, and after some time they will "understand." They will understand what a great crime against mankind is Protectionism.

10. The Article First of the Treaty of Economic Peace.

"Instead of exclusive combinations, I want to see universal co-operation."

"America shall stand for the just conception and basis of peace, for the competition of merit and for the generous rivalry of liberty."

"America came into existence, my fellow citizens, not in order to show to the world the most notable example of accumulation of material wealth, but to show the way to mankind in every part of the world to justice and freedom and liberty."—Woodrow Wilson.

Europe, and with her the rest of the world, can be internationally and socially saved, civilization can be preserved, only if a great Statesman, equal to the emergency and opportunity of the times, as a Redeemer, ready to momentarily sacrifice his popularity and even his reputation for the service of mankind, resolves to put an end to the international enterprises of greed, injustice and spoliation served by ignorance.

All peoples of the world ought to be told and taught that no real and true "solution" of the international problem, no international security, no durable peace, no permanent liberation of smaller nationalities, no true freedom of the seas, no future disarmament, no safety for democracy, can be hoped for except through the general adoption of an international policy of economic justice and morality based on the principle of international freedom of economic intercourse and services.

No success of peace efforts or negotiations will be in sight so long as the nations in conflict have not in principle agreed on this article First of any peace treaty: Germany to reduce immediately her customs duties, say to 50 per cent of what they are at present; Great Britain to remain free-trade; all nations to adopt for the future a policy of freer trade and of ultimate com-

plete free-trade; all colonies of the world to be opened, under the system of equality of economic opportunities, to the commerce of all nations of the world.

"CAUSES AND CONSEQUENCES OF THE WAR."

By Yves Guyot, Translated by F. Appleby Holt. Published by Brentano's, New York. \$3 net.

M. Guyot of Paris has honored us for many years by acting as an honorary member of the American Free Trade League. He is not only a former Minister of State of France and principal editor of the *JOURNAL des ECONOMISTES*, but he is also recognized as one of the world's leading economists and is the author of many books and pamphlets. We feel indebted to him for having his American publishers send us a copy of this, his latest book.

The mere sight of a serious treatise of 350 pages is enough to discourage the ordinary reader, yet this book has quite as great interest for the general reader as for the student of economics or history. For, as one glances through it and notes how admirably it is divided up into sections dealing with the (1) political, (2) historical, and (3) and (4) economic causes of the war, and (5) the consequences; and finds these in turn sub-divided conveniently into short chapters clearly and logically classifying the subject matter for easy reading,—he is tempted to dip in here and there at any rate. Having ventured thus far, any intelligent reader might just as well start in at the beginning, for the wit and humor of the style are so charming and the facts set forth are so impressive that one reads on fascinated.

To readers of newspapers and ordinary American books M. Guyot's work cannot fail to be a revelation, for he not only gives the authentic story of the Sarajevo crime, which furnished the excuse but not the cause for starting this terrible world conflagration, but briefly and succinctly he relates the whole diplomatic and political history that led up to it. No other single book that we have seen furnishes such a clear and full explanation of events that have been the horror and mystery of the Western world. But here one can read—set forth with delicious satire—the absurd miscalculations of the supposedly infallible German "Intelligence" department, which provided one of the causes of the cataclysm; the blunders of diplomacy; the internal difficulties of Germany and Austria-Hungary, which led to the belief that external war would unite groups that were otherwise incapable of further co-operation; and the fundamental difference between productive and militaristic civilizations, the ignorance of which leads to the belief that force is more profitable than exchange of services. M. Guyot holds that, since the two Central Empires are mere agglomerations of diverse nationalities held together by force, they must be dismembered.

There are so many interesting and striking passages that one is tempted to

quote at great length, but we shall limit ourselves to a few of those most interesting to Free Traders.

In the Preface to the English Edition the author calls attention to how the war has proved England's financial supremacy, and cites this as an unanswerable argument in favor of Free Trade. Concluding, he says:

"The war... has not vitiated the proposition, vehemently combated by the German, Friedrich List, that it is not States, but individuals, which have commercial dealings. 'Free Trade' means commercial dealings between individuals without the intervention of an overruling third party. It has long been adopted as the best system for the internal trade of nations with an advanced civilization, and it must become the basis of international trade."

The basic fallacy of private monopoly he shows to be the perversion brought about in the aim of the syndicate or trust:

(P. 129) "It is no longer the producer's object to satisfy the consumer's (that is, the whole world's) need as expeditiously as possible. He is to be the consumer's master, and the consumer's *raison d'être* is to be the source of his profits. Under the regime of competition the profits are the measure of the consumer's satisfaction, and he is more necessary to the producer than the producer to him. But under the regime of syndication the profits are the result of successful exploitation of the consumer. The syndicate regime attempts to make the consumer put himself entirely at its service, and one of its methods is to make him buy exclusively from the syndicates."

(P. 166) "Commercial jealousy, economic ignorance, unfair and hypocritical practices—these have been in all countries the offspring of Protection."

Summing up on page 203, he says:

"Imperialism, economic or otherwise, is only a consecration of force, the *ultima ratio*. The economic policy of the German Empire is a relic of the system in which the State made trade for the citizens. But the expression "Economic Imperialism" is a contradiction in terms, for Imperialism implies acquisition by force, without exchange.

"A productive civilization is based on freedom of contract, a militarist civilization on the limitation of liberty.

"The motive force of a productive civilization is economic competition, that of a militarist civilization is political rivalry.

"The most characteristic types of the two civilizations are those of Great Britain and Germany. Hence the insane jealousy displayed by Germany

"The present war is a conflict between these two civilizations. It can only end in the final triumph of the productive over the militarist civilization."

M. Guyot has presented the case of the Entente Allies fully and convincingly. That there is another side to the question, too, every impartial student of Germany and of internationalism knows.

PRESENT CONSTITUTION.

I.

The name of this organization shall be the American Free Trade League.

II.

The object of the League shall be to free our trade, our industries, and our people from all tariff taxes except those imposed for revenue only.

Its methods shall be to enlist the conscience, intelligence, and patriotism of the United States against the system called Protection, which at the dictation of organized wealth taxes the whole American people for the benefit of a few.

III.

Any person in sympathy with the objects of the League may, subject to the approval of the Executive Committee, become a member upon payment of the annual dues of seventy-five cents.

IV.

The officers of the League shall be a President, Vice-Presidents, Treasurer, Secretary, and an Executive Committee of ten members. They shall be elected at the annual meeting of the League, which shall be held on the last Tuesday in April; and a ballot shall be taken if called for by one-fourth of the members present. Every officer shall continue to hold his office until his successor is elected.

V.

The President, Treasurer, and Secretary shall be ex-officio members of the Executive Committee. Subject to these articles, the Executive Committee shall manage the affairs of the League, and dispose of its funds. It may establish such relation with other organizations having a similar object as may seem desirable. It may fill all vacancies, elect additional Vice-Presidents, increase the number of its members, and may delegate any of its powers to sub-committees, officers, or agents. It shall have no power to contract debts in behalf of the League.

VI.

Meetings of the Executive Committee may be called at any time by the Secretary, upon the request of the President or of three members of the committee. Special meetings of the League may be called by vote of the Executive Committee; but a notice of the meeting, stating the objects thereof, shall be mailed to each member. At meetings of the Executive Committee five members shall constitute a quorum.

VII.

Fifteen members of the League shall constitute a quorum.

VIII.

This Constitution may be amended at any meeting of the League by a two-thirds vote, but the proposed amendments shall be printed in the call of the meeting.

With very slight changes, this Constitution is the same as that of the New England Free Trade League in 1895. It will be noted that tariff "for revenue only" is advocated. Probably very few members of the League at present know of this provision, and the present secretary has ignored it in all that he has written and sent out,—partly because he was unaware of it, and afterwards because he felt that the name of the League required the absolute abolition of tariffs. If members wish now to make the League true to its name, the opportunity is offered in the adoption of the new Constitution printed below

NEW CONSTITUTION

In order to make the League true to its name, to insure that its government be democratic, and to prevent a repetition of the recent attempt to stop its work, the following amended Constitution is proposed:

ARTICLE I.

The name of this organization shall be The American Free Trade League.

ARTICLE II.

The object of the League shall be to abolish all customs taxes.

ARTICLE III.

Any person in sympathy with the object of the League may, subject to the approval of the Advisory Committee, become a member upon the payment of seventy-five cents for membership and twenty-five cents for the quarterly publication of the League.

ARTICLE IV.

The officers of the League shall be a President, Vice Presidents, Executive Secretary, and an Advisory Committee of not over ten members. The Advisory Committee may elect one of their members Treasurer, to collect funds and supervise their expenditure. All officers shall be elected by mail ballot, the results of which shall be announced at the Annual Meeting. Beginning in 1918, the Annual Meeting shall be held on the first Monday in October. Every officer shall continue to hold office until his successor is elected.

ARTICLE V.

The President shall preside at meetings and shall be ex officio a member of the Advisory Committee. Subject to these articles, the Executive Secretary shall manage the affairs of the League and dispose of its funds. The Advisory Committee may fill vacancies pending an election, and elect additional Vice Presidents.

ARTICLE VI.

At least thirty days before the Annual Meeting the Executive Secretary shall prepare a ballot containing all nominations for office, and shall mail a copy of said ballot to each member of the League. Nominations may be made by any member of the League, and, when seconded by another member, they shall be printed on the official bal-

lot. Ballots marked in accordance with the preferences of each member shall be returned to the Secretary in time to reach him before the Annual Meeting, and the preferential system of voting may be used when there are more than two candidates for any office. The candidate receiving a majority of the votes cast for any office shall be declared elected.

ARTICLE VII.

At any time that an officer has held office for over a month, on the demand of a dozen or more members a recall election shall be held by mail ballot. In such an election a majority of votes cast for any other candidate shall remove the incumbent.

ARTICLE VIII.

Amendments to this Constitution or changes in the policy of the League may be initiated at any time by twelve or more members. When the Executive Secretary is notified of such proposals, he must within ten days submit them to all members for approval or rejection. The approval of any such proposal by a majority of those voting upon it shall make it operative. Thirty days from the time such a measure is submitted shall be allowed to hear from members.

"THE MINNESOTA LEGISLATURE OF 1917."

Have we not all wished at some time or other for a clear idea of what our legislators were doing? Our different legislatures are in session only part of the time, and then their proceedings are so confused and fragmentary that newspaper accounts give very little idea of what is really going on. For the voter to know what his own and other representatives do, an analysis and classification of the acts of each member of the legislature and of the whole body, is needed.

Lynn Haines started to do just this sort of thing when, backed by a number of public-spirited citizens, he got out "The Minnesota Legislature of 1909." He was followed by Franklin Hichborn, who did a similar work for the California law making body. When Mr. Haines went to Washington in 1913 as the Secretary of the National Voters League, to do for Congress what he had done for the State legislature, his work was taken up and continued by Carl J. Buell, who has just published the third of his handbooks.

Here one may find all the chief issues set forth and their treatment by the legislators, individually and collectively, recorded clearly and impartially. Not only have voters cause for gratitude at seeing their representatives' records, but the representatives themselves should be thankful for this compact review of what they have done.

The improvement in the personnel and accomplishments of the Minnesota State Legislature since these handbooks began to be issued, argues that a similar work is needed in every State.

The book is not published for profit, but may be obtained from its author at 1528 Laurel Ave., St. Paul, for 50 cents, cloth, \$1.

RUSSIAN FREEDOM.

As reported in THE NEW YORK TIMES, one of the first acts of the Russian revolutionists was to abolish customs tariffs. When Dr. Lange reached the country the day after the revolution took place, a man came through the train, calling out, "Liberty is supreme. No more passports, no customs, only liberty reigns." Can we say as much in this country, which has been called "the land of the free" for over one hundred years?

Another interesting light on the tariff policy of Russia after the war is furnished by the issue for March, 1917, of the RUSSIAN CO-OPERATOR, published in England. According to this authority, Russian co-operators, including families, represent not less than one-third of the total population of Russia. In questions of tariff policy the co-operators may also claim to speak for the bulk of Russian urban as well as rural inhabitants; and the Russian co-operative press and conferences are overwhelmingly in favor of Free Trade. Can democratic America afford to be less enlightened?

"Suspicion—a feeling that makes you try to find out something you don't want to know."

The only thing that I am afraid of is Fear.—Montaigne.

There is nothing so like a wise man as a fool who holds his tongue.—St. Francis of Sales.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912,

of Free Trade Broadside, published quarterly at Boston, Mass. for April 1, 1917.

State of Massachusetts, County of Suffolk, ss.

Before me, a Notary Public, in and for the State and county aforesaid, personally appeared Kenneth B. Elliman, who, having been duly sworn according to law, deposes and says that he is the business manager of The Free Trade Broadside, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor and business managers are:

Name of	Post Office Address
Publisher—American Free Trade League	120 Boylston St., Boston, Mass.
Editor—Kenneth B. Elliman	120 Boylston St., Boston, Mass.
Managing Editor—Kenneth B. Elliman	120 Boylston St., Boston, Mass.
Bus. Manager—Kenneth B. Elliman	120 Boylston St., Boston, Mass.

2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent. or more of the total amount of stock):

American Free Trade League (a voluntary association) Boston, Mass. George Haven Putnam, President, Albert S. Parsons, Chairman Ex. Com.; John Ritchie, Treasurer.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent. or more of total amount of bonds, mortgages, or other securities are: (if there be none, so state.) None.

KENNETH B. ELLIMAN.

Editor and Business Manager.

In the presence of Charles E. Valentine, April 3, 1917.
(My commission expires Jan. 11, 1924.)

NOTICE TO MEMBERS.

As shown on pages 2 and 3, a most serious crisis confronts the League. Radical troubles demand radical cures. Therefore, if members desire the continuance of the League, they are requested to write at once to the Secretary at 38 St. Botolph St., Boston, and state whether or not they will support a thorough reorganization along the lines suggested in the preceding pages of this BROADSIDE. No money need be sent until it is learned whether or not sufficient support is assured to make it worth while. But it is very important that members show their interest by mailing to the Secretary a copy of the ballot below, marked in accordance with their preferences, and that they indicate their approval or disapproval of the proposed new Constitution. Unless sufficient interest is shown, the plan will be abandoned and the League allowed to relapse into its former coma.

The following list of officers of a reorganized League is offered for the approval of members as seeming to be in accordance with the wishes of a majority as shown in correspondence and conversation with the present Secretary. Members preferring other candidates should write their names in. It should also be stated that the vacation season has made it impossible to secure the consent of the nominees. But if any decline to serve, the new Constitution provides a method of electing others instead. The present Secretary is willing to serve again only if re-elected.

FOR PRESIDENT

Hon. Warren Worth Bailey —

FOR VICE-PRESIDENTS

ARKANSAS

Clifton R. Breckenridge —

CALIFORNIA

David Starr Jordan —

COLORADO

James W. Bucklin —

CONNECTICUT

Henry W. Farnam —

Irving Fisher —

DELAWARE

Daniel Kiefer —

DISTRICT OF COLUMBIA

W. M. Daniels —

Louis F. Post —

ILLINOIS

A. G. Danforth —

Sigmund Zeisler —

INDIANA

Evans Woollen —

IOWA

Emanuel Sternheim —

KANSAS

Henry Ware Allen —

E. T. Shelly —

MAINE

Charles F. Johnson —

Augustus A. Percy —

MARYLAND

Hope H. Barroll —

MASSACHUSETTS

Raymond L. Bridgman —

Charles R. Codman —

Charles W. Eliot —

William Lloyd Garrison, Jr. —

Frank Grant —

Charles S. Hamlin —

Richard E. Hersom —

Henry W. Lamb —

Joseph Lee —

Nathan Matthews —

MICHIGAN

Frederick F. Ingram —

B. F. Snyder —

MINNESOTA

William C. Edgar —

MISSOURI

Henry Priesmeyer —

William Marion Reedy —

NEBRASKA

W. G. Hastings —

NEW YORK

R. R. Bowker —

Lawrence Dunham —

Robert E. Ely —

Thomas M. Osborne —

J. T. Sunderland —

Ida M. Tarbell —

Calvin Tomkins —

John DeWitt Warner —

OHIO

Fred S. Wallace —

OREGON

C. E. S. Wood —

PENNSYLVANIA

R. F. Devine —

Arthur B. Farquhar —

A. Warren Kelsey —

RHODE ISLAND

Lucius F. C. Garvin —

TEXAS

Penrose N. Ions —

R. E. Montgomery —

VERMONT

Elisha May —

VIRGINIA

James H. Dillard —

WISCONSIN

Charles R. Benton —

FOR ADVISORY COMMITTEE

James R. Carret —

John S. Codman —

Martha P. Hadley —

Grace A. Johnson —

Lewis J. Johnson —

Anna K. Rogers —

R. F. Devine —

Daniel Kiefer —

Frank W. Garrison —

Calvin Tomkins —

FOR SECRETARY

Kenneth B. Elliman —

EDITORIAL.

The nominees for the Advisory Committee include six residents of Greater Boston and four non-residents. The former include two former Secretaries and two of the members of the present Executive Committee. Professor Lewis J. Johnson is the President of the Massachusetts Single Tax League, and his wife is active in suffrage work. The four non-residents are all prominent members who have proven their interest by visiting headquarters during the past year. All nominees being stanch liberals, it is certain that they will work together harmoniously.

The retirement from Congress in March of the Hon. Warren Worth Bailey, editor of the JOHNSTOWN DEMOCRAT, is a loss to all lovers of freedom and especially to believers in Free Trade. While in the National House of Representatives, not only did Mr. Bailey oppose tariff restrictions of all kinds, but he also worked hard against war, the worst of all enemies of trade and freedom.

He showed evidence of true statesmanship by introducing a bill to extend to this whole hemisphere the blessings of free trade now enjoyed by the 48 States of this Union. And to provide against the loss of revenue hitherto furnished by customs taxes he introduced another bill to tax land values, each State to furnish an amount proportional to its population. We think the League is to be congratulated on possessing such a farseeing and intelligent man for a Vice-President, and it would be difficult to imagine a more suitable man for President.

While we are fighting to "make the world safe for democracy," do not the East St. Louis massacre, the Butte lynching, the Bisbee deportations, and the Mooney case, suggest that we ought to make America safe for Americans?

That which we are, we shall teach, not voluntarily, but involuntarily.—Emerson.

I dreamed I was a sonnet,
That typified the age;
Alas! I'm but the little verse
That finishes the page.
—Kate Louise Brown.

I favor the proposed
new Constitution..... ☐

I do not favor the
proposed new Constitution..... ☐

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Founded by
WILLIAM LLOYD GARRISON
Son of the
Great Abolitionist

Edited by
The Executive Committee

Object—The Freedom of Trade and Communication from all Restrictions.

Membership.—One Dollar a Year.

Entered as Second-class matter at the Postoffice at Boston, Mass., Sept. 25, 1916.

American Free Trade League Annual Meeting, 1917

By adjournment from June, 1917, the annual meeting of the American Free Trade League was held at 120 Boylston St., Boston, Mass., Nov. 8, at 4 p.m. Ex-mayor of Boston, Nathan Matthews, one of the Vice-Presidents for Massachusetts, presided and called the meeting to order. A quorum was present. John S. Codman was elected temporary clerk. The following officers were elected for the ensuing year:

President, George Haven Putnam

Secretary, James Middleton

Treasurer, John Ritchie

Executive Committee.

Albert S. Parsons, Chairman

James R. Carret

Edmund J. Burke

John S. Codman

Judd Dewey

Martha P. Hadley

George S. Harrington

Samuel Y. Nash

Charles H. Porter

E. N. Vallandigham

(Continued on page 3)

TO LIBRARIANS AND MEMBERS.

The Free Trade Broadside is issued quarterly. Owing to pressure of office work our publication is a little late.

IN GRATEFUL MEMORY.

Since our last annual meeting four Vice-Presidents have finished their earthly labors in the cause dear to them. We cherished their friendship in life—we revere their memory:

L. S. HILL, Utah.

JOHN W. KERN, Indiana.

CHARLES F. FITZ, Massachusetts.

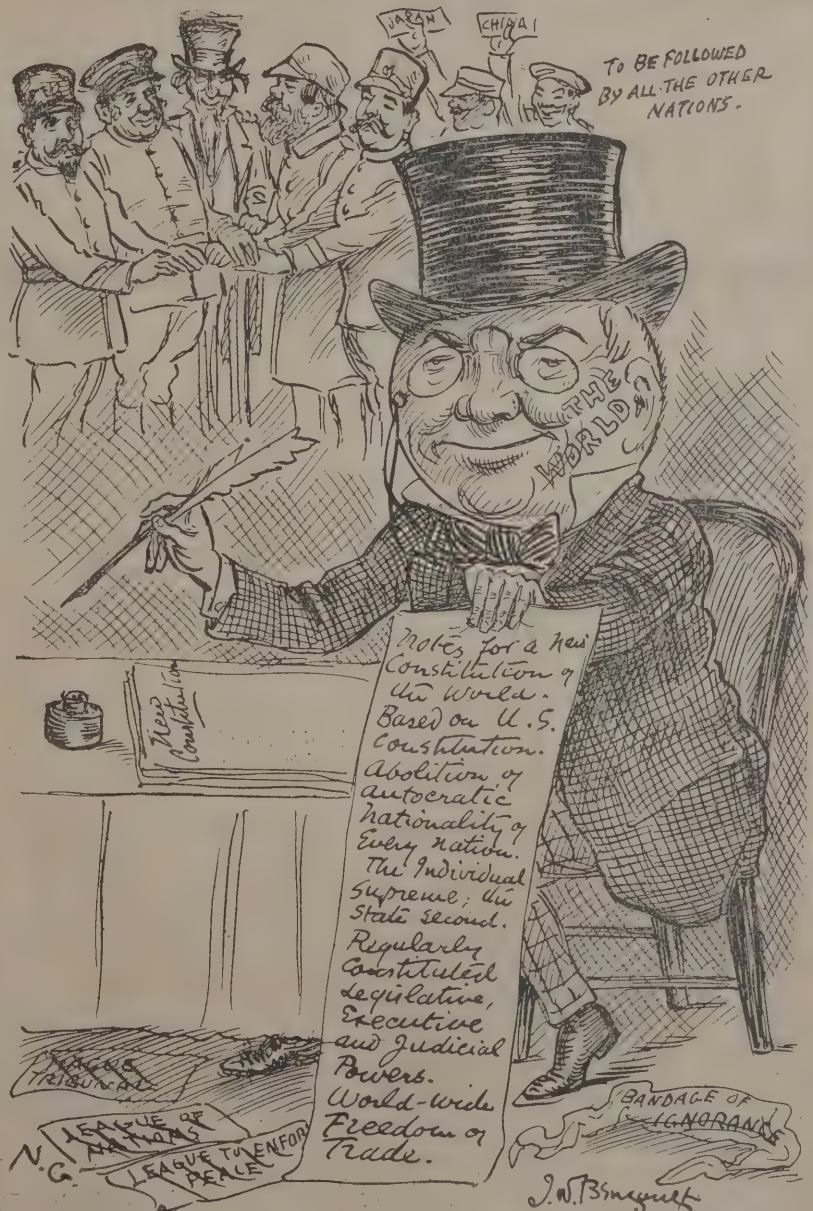
J. J. PASTORIZA, Texas.

The huge menace of a future German 'world-power, political and economic, and, when the time comes, military, is paraded before the heated and confused imagination of our people by our New Protectionists. My object is to inspect and test, first, the substance of this economic menace, and secondly, the validity of the measures by which it is proposed to meet it."

This object Mr. J. A. Hobson accomplishes in the carefully reasoned chapters of his timely book, *The New Protectionist*, \$1.00. Ask your dealer for it.

Our valued exchange, *The Liberator*, Auckland, N. Z., gives us good news that our own papers have overlooked (?) namely, that the recent English Trades Union Congress passed a resolution in favor of Free Trade by a vote of 2,339,000 to 278,000. This was held in September, 1917. Editorial writers who claim that English Trade Unions voted for Protection a year ago should revise their data.

MAIL YOUR FREE TRADE BROADSIDE TO A FRIEND.



The World Comes to His Senses and Strikes the
Only Plan for Perpetual Peace.

An Assured Peace

(Geo. Haven Putnam, President of the American Free Trade League)

On both sides the Atlantic the minds of men, wearied and saddened by the miseries and devastations of the great war, are looking forward with earnest longing for the peace that is to come after the war. It is recognized by all careful students of the conditions that an assured peace can be brought about only through the thorough overcoming of the Prussian imperial militarism which has brought on the war. The civilization that fights for peace must either conquer or be overthrown. There can in this struggle be no drawn battle.

The League to Enforce Peace, which includes in its membership thousands of the peace loving citizens of America, takes the ground that "it is utterly useless to talk about a League of Nations to enforce peace unless German militarism is destroyed. If this is not done, and done thoroughly . . . the Central Powers will themselves compose a League of Nations to Enforce Peace, and its work will be done ruthlessly and completely. . . If a peace is made before German militarism has been humbled, Prussianism will be victorious. . . Everybody wants peace, not an immediate peace, not a dishonorable peace, not a peace that will mortgage the world to autocracy and militarism, but a just, a thoroughgoing and final peace, such as can be attained only through the destruction of Prussian militarism. Such a peace is all that non-aggressive nations are willing to fight for."

President Wilson states that the object of the war is "to set up among the really free self-governed nations of the world such a concert of purpose and of action as will henceforth enforce peace and justice in the life of the world." Mr. Taft says: "When the war is won, the United States will have a right to be heard as to the terms of peace. The United States will insist on a peace not of material conquest, but of justice. It is a moral victory that we should help the world to win."

It is essential that the settlement after the war shall bring to an end the plotting of governments against the welfare of their neighbors, plotting and action based not only upon military resources, but on a silly and mischievous economic strategy which impoverishes the whole world. The way to the world's peace, the only way to an enduring peace, lies through internationalism, through an international survey of commercial treaties, through an international control of interstate shipping and transport rates, and through international action towards the reduction of tariff barriers. We must restore freedom to the citizens of the world, a freedom of exchange for goods

as well as for individual men, of experience and for ideals.

The diplomatists, working honestly for the welfare of the different peoples concerned, are often met with perplexity in arranging such adjustment of boundaries as shall secure for each state access to the oceans of the world, which means a fair share in the trade of the world. This perplexity will be very much lessened when the tariff barriers have been abolished. It might be a convenience to Austria or to Serbia to have a port on the Adriatic, but without such a port there would still be nothing to prevent Austrian and Servian goods from finding their way without hindrance to the Adriatic and to the world, and with freedom of transit it would be a matter of comparatively small moment that the goods had to pass through a port carrying the flag not of Austria or of Serbia, but of Italy.

The pressure of nations for a right to take part without trammels in the trade of the world has been either the first cause, or a large secondary influence in bringing about war. When the artificial barriers are removed and the trade channels are left open, this pressure will disappear, and with its disappearance will go also the bitterness and the friction which in times past have been the sure causes of war.

The citizens of the world, with a right to the full enjoyment of all the resources of the world, have had this enjoyment interfered with, restricted, undermined through the silly action of the governments of the world in putting up barriers between the peoples. It is understood that the settlement that is to come after the war is, in the rearrangement of boundaries and political control, to give full consideration to the claims of the peoples themselves. The blunder, which has amounted to a crime, in the settlement after the previous great wars, has been the assumption by the rulers and diplomatists to use the peoples as if they were so many tokens in a gambling game. These tokens have been thrown across the table one way or the other without any reference to the interests of the people represented, to their rights, to the probability of their accepting, without protest the political control that was being imposed upon them. As a result, the treaties did not bring, and could not bring, any assured peace. They sowed the seeds of future wars. This was true with the Treaty of Westphalia in 1648, which brought to a close the Thirty Years War; the Treaty of Utrecht in 1765, which terminated, at least for the time, the struggle that had arisen over the Spanish succession; of the Treaty of Vienna in 1815, which while marking the success of Europe in defending itself against

the military domination of Napoleon, rearranged the States of Europe according to the will, the prejudices, the personal interests of the diplomatists and the rulers. The peace of 1918 must be based on an entirely different principle, it must give a full recognition to the rights of the people not of one state or another state, not of the larger states against those of the smaller, but of all the peoples concerned. Such a peace should protect the assured existence of the smaller states and it must also secure for communities which on the ground of their position, or of lack of population are not qualified to become independent nations, an opportunity under some federal system of autonomy, for life, liberty and the pursuit of happiness. This is with Americans an old-time and elementary principle of the responsibilities belonging to government.

We Free Traders contend that the privilege of doing business in all the countries of the world and of an unrestricted interchange of the productions of all peoples, is a privilege that belongs to the elementary rights of mankind. This interchange of goods should be subject only to such taxation as may be required to maintain open and protected the thoroughfares of trade, to support the machinery of governments and the machinery of the courts. Justice must be made not local but general. The existing economic systems, based upon the protection theories, constitute as certainly a plotting of governments against the welfare of neighboring nations as do threatening military armaments, and they have the same result of impoverishing the whole world. At the close of this war, the world will in any case be in a state of impoverishment. Its savings will have been exhausted, blown away with the powder, burned up with the ruined cities and villages, and above all undermined through the destruction of the man power, the labor power, the foundation of the wealth of the state. Not only all the savings of the past, but the savings of future years have been pledged to redeem the obligations of the enormous war debts. It would be as foolish and as wicked for the civilized world, under such a condition of poverty and need to throw away any resources for the regaining of its economic position as it would be for a country that was starving to permit any waste of food material.

We know that every tariff barrier increases the cost of an article to the consumer. We know that every diversion from the region where articles can be produced with the least cost, to regions where, under artificial regulations, they are to be produced at a higher cost, brings a new burden upon the consumer. Such a system of government regulation of production means a waste of the industrial power of the world, a power the full value of which is now needed for the recuperation of the world. The duty rests, therefore, upon the men on either side of the Atlantic who are believers in freedom of trade, to begin now the education of

public opinion towards the reduction and the final abolishing of tariff barriers.

We have before us the task of overcoming the prejudices between states which have, of necessity been developed under the bitternesses and cruelties of war. We have got to fight against the desire of our allies to bring after the war, through economic pressure, "punishment" upon the States which are responsible for the war. We have got to withstand the belief of our own legislators, and of many of our people behind the legislators, that the industries of the United States will, after the war, be imperilled by the "dumping" of goods from the impoverished nations of Europe. It is a great and difficult task. It is impossible now to judge what measure of success may be practicable, but the judgment as to the measure of success has nothing to do with the decision as to the duty of the hour. It is for the American Free Trade League, and for all thinking and fair-minded citizens who are ready to do their part for peace and for justice, to do what we can to make clear to the world that freedom of trade is an essential factor for an assured and abiding peace.

AMERICAN FREE TRADE LEAGUE ANNUAL MEETING.

(Continued from page 1)

Erving Winslow resigned from the executive committee, having taken up his residence in New Haven, Conn., and was elected a Vice-President for that State.

The four amendments to the Constitution were adopted unanimously.

ADOPTED AMENDMENTS TO CONSTITUTION

It is proposed by the Executive Committee to amend the Constitution of the League as follows:

ARTICLE II

The object of the League shall be to free the trade industries and the people of the United States from any tariff taxes except those imposed for revenue only, and to hasten the time of free exchanges between all nations.

Its methods shall be to enlist the conscience, intelligence, and patriotism of the United States against the system called Protection, which at the dictation of organized wealth taxes the whole American people for the benefit of a few.

ARTICLE III

Any person in sympathy with the objects of the League may, subject to the approval of the Executive Committee, become a member upon payment of the annual dues of one dollar, and twenty-five cents additional for a quarterly "Broadside."

ARTICLE IV

The officers of the League shall be a President, Vice-Presidents, Treasurer, Secretary, and an Executive Committee of ten members. They shall be elected at the annual meeting of the League, which shall be held on the last Tuesday in April, or at a date as near thereto as possible, to be fixed by the Executive Committee; an official ballot shall be prepared by the Executive Committee to be presented at this meeting. Every officer shall continue to hold his office until his successor is elected.

ARTICLE V

The President, Treasurer and Secretary shall be ex-officio members of the Executive Committee unless any of them are paid for their services by the League; but no official paid by the League shall

be ex-officio a member of the Executive Committee. Subject to these articles, the Executive Committee shall manage the affairs of the League, and dispose of its funds. It may establish such relations with other organizations having a similar object as may seem desirable. It may fill all vacancies, elect additional Vice-Presidents, and may delegate any of its powers to sub-committees, officers, or agents. It shall have no power to contract debts in behalf of the League.

On motion of Albert S. Parsons the following vote was passed—"The Executive Committee is requested to make immediate and formal application to the prominent Universities and Colleges and to Professors of Economics to solicit their membership in the American Free Trade League, and their co-operation with its work, especially in view of ultimate international settlements."

Regrets were received from many in sympathy with the work of the League who were unable to be present because of distance or illness. Among those present were—

Dr. Charles W. Eliot, Nathan Matthews, ex-Mayor of Boston, Rev. Dr. Charles F. Dole, Samuel Y. Nash, John Ritchie, Treasurer, James Middleton, Mrs. W. B. Cossette, Acting Sec'y, Mrs. Martha P. Hadley, former Sec'y, Frederick Brooks, S. W. Hathaway, attorney-at-law, Roger Sherman Hoar, attorney-at-law, Richard E. Hersom, Albert S. Parsons, chairman executive committee, John S. Codman, Miss A. K. Rogers, former secretary, Howard A. Carson, Edmund J. Burke, Kenneth B. Elliman, secretary.

We are sorry to be obliged to state that our card index of members has been left in an incomplete condition. This was the reason many did not get notice of the meeting just held.

HOBSONISM VS. PROTECTIONISM.

It is a curious assumption that trade is "contest" in which one of the trading parties secures "domination" over the other, the notion that protective tariffs and other barriers are needed for "defence," and the notion that such "defence" can be successfully obtained by any of these methods.

Tariffs are broken reeds for war emergencies. Countries that trust to them for revenue in war time are foredoomed to failure. For *just when more money is wanted less is supplied*. In most belligerent countries import trade is heavily diminished and with this diminution the yield of import duties falls. The rates cannot be increased at a time when restricted supplies are raising prices. . . . This financial defect, perilous to national defence, is inherent in a protective system. It is no mere chance that has imparted so much elasticity of revenue to our (England's) national finance. The simple reason is that, whereas in war Germany, France, Russia, Italy, rely upon indirect taxes for the great bulk of their current revenue this country (England, 1916) is raising 72 per cent of her revenue by direct taxation. Free Trade has enabled us not merely to make a considerable and growing contribution to our own current war expenditure, but, to undertake the added burden of finding

huge sums for the assistance of our Allies.

Protection is not a good defence either as a normal trade policy or in war-time. If any simple test is wanted, it is furnished in the fact that as soon as the war started the great Protectionist belligerents, one after another, dropped their food tariffs. Italy reduced her duties on food in October, 1914, and abolished her corn tax in the following February. In October, 1914, Austria abolished her corn tax. In September, 1914, the German duties on bread, butter, eggs, poultry, prepared foods, cereals and flour, meat and fish, were abolished. So much for the defence value of Protection in war time! And yet these countries are comparatively self-sufficing in their food supply. How much worse a defence would a tariff prove for us!

A Protective tariff can only have two chief and inevitable effects:

1. It would reduce our aggregate national income, and so our resources alike for armed defence upon the one hand, economic defence upon the other. How can the advocates of a policy which diminishes our funds alike for education, scientific experimentation, and technical equipment (the supreme need for successful competition with Germany) plead "defence"?

2. It wastes the sources of public revenue. A large proportion of the gross yield of tariff is consumed in expenses of collection. By enabling protected industries to raise their prices it throws on consumers a burden of payment vastly greater than the gain to public revenue. The incidence of this burden is heaviest on the poorer working classes, for the prices of the necessities of life are subject to the greatest increase. Thus the standard of living of the workers is depressed and their productive efficiency impaired.

FROM THE SECRETARY OF THE COBDEN CLUB.

A cheering letter comes from across the water. Mr. F. J. Shaw, Secretary of the Cobden Club, writes as follows to Erving Winslow:

"Many thanks for your kindness in sending a copy of 'The North American Review' with your admirable article on 'The Open v. the Closed Door.' I hope you are right in thinking we may get an advance in the direction of international free trade after the war. Things will be so entirely changed and the futility of tariffs as a means of raising revenue will be driven home to the financiers of Europe by the position in which they will find themselves at the close of hostilities. I have felt for some time that this is so, and that we are, on the whole, more likely to see an improvement in this respect than a reaction. I will call the attention of the Cobden Club Committee to your article, and in the meantime, I am, yours very truly,

F. J. SHAW, Secretary.
London, England, Nov. 2, 1917.

What Shall We Do?

By Erving Winslow,
Vice-President from Connecticut

There has never been a time when the agitation of the Free Trade dogma, though it has been prosecuted in season and out of season by its sturdy apostles as a pious duty, has been more important than it is today. That such agitation implies a "kicking against the pricks" to an unusual degree only testifies to the need thereof. Idealism and national unselfishness are the notes of the appeal which is being made to support the war, more especially by him to whom has fallen a moral, if not a titular leadership in it, the President of the United States. Although there is no partisanship in the exercise of his special powers, as war President and Commander-in-Chief, it can not be forgotten that he was the chosen leader of a party, pledged to true "Tariff Reform," not in the modern English use, —which should rather be "Tariff Deform," for the proper designation of the "Chamberlain" reactionary movement. In the appointment of Prof. Taussig as Chairman of the Tariff Board, the President has made a selection unexpectedly agreeable to the Free Trader, inasmuch as Prof. Taussig remains a staunch idealist in its principles. Although he has recognized of late the necessity of conceding more or less to temporary needs and special conditions, it is safe to predict that in all his recommendations his "wagon will be hitched to the star" of hope—for ultimate free exchange. He has recently permitted himself thus to be quoted: "The fundamental principle of Free Trade has been little shaken by all the discussion and all the untoward events of the past half century. The essence of the doctrine of Free Trade is that prime facie, international trade brings a gain and that restrictions on it presumably bring a loss."

Most of the University professors of Economics lean towards doctrinal purity at least upon the question and to uphold their hands and secure consultation and co-operation is a promising field of endeavor. Public opinion, especially in the enlightened labor quarter has veered away from that fatal obsession induced by political efforts which connects high wages with prosperity, disregarding prices of commodities. Tariff protection—it is realized by recent experience, while it may increase wages, lags far behind the needed ratio to increased cost of living. An opportunity of an unusual sort presents itself for driving home this truth, thus visibly demonstrated in a different situation. It ought not to be difficult to set waves in motion which might effect members of the lower House of Congress at least. (It is to be regretted that such a thorough-going champion as the Hon. Warren Worth Bailey no longer has a seat there.) It may be pressed upon the practical side that the Wealth of our country is sure to be increased by

the liberal policy of Free Trade. England has profited by it to a degree which alone has enabled her to meet the enormous strain of the war.

If our after war position is an exceptional one it may be the more advantageous; apparent unselfishness being in this case its own reward. Under favorable conditions, New York might become a second London, where merchandise of every kind would always find a ready buyer at a fair price.

While tariff restrictions persisted, the establishment of "free ports" would be profitable ventures and object lessons of great value.

We are assured of the sympathy and sympathetic efforts of the Cobden Club and of La League Du Libre Exchange. But if the United States is to have a most influential part in after-war settlements, economic as well as political, —it is of much importance that some strong movement in the right direction should show itself among our people. The President of the American Free Trade League had a prominent part in the preparation of an address to the governments of Great Britain and France, to urge the principles of Free Trade, as thus applicable, which was presented to Mr. Balfour and M. Viviani during their visit to the United States and was cabled home by these gentlemen to their respective Cabinets.

The opposition to be faced should not be minimized. With the brave and the faithful, difficulties are an inspiration. Many and serious they are which confront the reformers. The strain of a long continued, lofty and altruistic purpose will have its reaction—the very claim to respect for such a purpose may cover and excuse inconsistencies in practice. Some concrete reward has often been seized upon when the struggle for idealism has caused a long and painful effort. It may be assumed that justice not only excuses but demands what are thought to be,—however incorrectly,—punitive discriminations (though in ultimate effect, boomerangs). It is claimed that protection, while it excludes the competition of a conquered rival, is the readiest means to recoup the expenses of war and of course the many industries artificially stimulated by its condition will make frantic efforts for continued artificial tariff support.

There will be no opportunity for the fanatic. The wisest statesmanship and most expert economy, inspired by a full belief in ultimate Free Trade, will be demanded to meet the hydra-headed opposition of selfish nationalities and selfish private interests; lobbies of a number and power hitherto unknown.

One commanding principle must be held inviolate:—That progress shall be established towards Free Trade as an inflexible condition. No upward move-



GEORGE BRICKETT

George Brickett, former assistant postmaster at Lynn, and for many years employed on a newspaper in that city, died at his home in Melrose, Mass., Oct. 16.

He was born in Derry, N. H., and was a graduate from Pinkerton Academy in that town. From 1860 to 1863 he was principal of the grammar school at Danvers, and in 1864 and 1865 was connected with the subsistence bureau of the war department and stationed at Forts Slocum and Reno in Washington. He was ordered to Richmond in April, 1865, and remained there until the following November. In 1868 and 1869 he was in the internal revenue bureau of the treasury department with Henry Hammond, collector at Norwich, Conn.

Mr. Brickett published "Tariff Chestnuts" in 1888, "Cobden Pellets" in 1891, "Incidental Echoes" in 1894, "Tariff Teachers Cross-Examined" in 1910, "Silver Threads" in 1896, and "The Telegraphic Blunder of 1891" in 1910. He is survived by a widow and one sister.

ment of tariff should be recognized as possible. Every change must be one of reduction and such reduction should be provided for in successive stages and periods. Just as the entering wedge was made to foster the "infant industries," which never grew up, but required more and more pap, the process must be reversed by a systematic "weaning" which may set the dependent upon its feet and instead of drawing the life blood of the people for its support, contribute a filial return to the long-suffering Mother.

As for the national rivalries and jealousies which would set up barriers of greed or revenge—barriers challenging future wars, which we have declared are to be made forever impossible, surely we must hasten with every influence that can be brought to bear, to press upon the "advisory committee" preparing by the President's appointment, counsel for his use in the adjustments of world peace—to make early and favorable recommendation, as an "Ultimate," of the one great means for creating human brotherhood and cementing real internationalism—free exchange.

FROM ONE WHO KNEW HIM

Everett, Nov. 12, 1917.

Editor of Broadside:—

In the decease of our esteemed late member of the League, Mr. George Brickett of Melrose, we "have sustained a severe loss. For many years I was intimately acquainted with the deceased and always knew him to be a staunch supporter of our cause, and in giving this support he was absolutely incorruptible and at a time when his talent would have been of incalculable value to our opponents—the protectionists. No consideration was large enough to induce him to deviate one iota from what he knew to be just and right.

Yet for years he struggled on with a meagre salary, giving his time, energy and wonderful intellectual attainments in unstinted volume to our cause, for which we could neither give any remuneration nor show it merited appreciation. From my own personal experience I know that Mr. Brickett's inexhaustible store of knowledge in economics would have yielded him almost unlimited wealth would he have consented to have exchanged it for cash from the well-filled coffers of protectionism—money filched by force of law from the pockets of a suffering and altogether too patient people.

But he rejected their coy and selfish inducements with the contempt it deserved and generously championed the cause of free trade, receiving in return his own contented conscience and the knowledge that his labor was in the interest of the whole people.

Yet was not his the better choice? Instead of a fortune of transitory and fleeting value, he has left to posterity a monumental statue of character which is as enduring as time itself.

In his labors in behalf of free trade he endured the ridicule and sarcasm of the enemy entrenched in the very citadel of the people's government with unwonted patience. His efforts, like Lincoln's, Garrison's and Phillips', are neither recognized nor appreciated by people of his own time and generation, but must be left to be sung by those, let us hope, of a not very distant future.

Sincerely yours, Richard E. Hersom.

UNDERSTANDING THE BALANCE OF TRADE.

The manifest of a vessel clearing for Liverpool at New York showed a cargo of fancy American lumber, \$30,000. The consignees invested the proceeds in a "chow-chow" cargo for Shanghai, where the proceeds were invested in tea and entered at the New York custom house, \$63,400 in round figures. Note that the balance of trade was more than 100 per cent against the United States. But those interested did not consider the venture unprofitable, even after paying commissions and ship bills. The fact is, that the lumber, worth \$30,000 in the United States, was exchanged for the tea, which was worth \$63,400, plus the duties, brokerage, etc.

If such things were untrue, all commerce would necessarily cease.

ALEX. F. OAKLEY.

Our Plain Duty

By James Middleton, Secretary American Free Trade League

The believers in Freedom of Trade will at the close of the great war face the greatest opportunity they have ever had to work for the cause.

Wars of Alexander and Caesar involved but a portion of the earth's surface; even the great Napoleonic conflicts left Asia and South America untouched. Out of those wars sprang jealousies and bitterness that found vent in trade rivalries and feuds. The true conception of trade to exchange one's surplus of things not needed for the other's surplus so that both gain was lost sight of.

Protective tariffs were built up in the attempt of each nation to overreach his neighbor. Vast monopolies ensued enabling the few to roll up great fortunes at the expense really of their own people.

Already we hear plans to carry on an economic warfare when the strife of arms has ceased. Such policy will only sow the seeds of other wars prolonging bitterness and hate. Next to religion freedom of production and freedom of trade are the world's great civilizers. Even from a selfish standpoint we cultivate friendship with our customers.

The close of the war will see the United States with a great merchant marine far surpassing that we had before the Civil War.

We are rich in coal, iron, steel, copper, cotton and capable of producing food for the world. Our factories will be ready to produce far more than we

can consume. Selfishness itself will force us to seek every avenue of trade with other nations. Enlightened selfishness will dictate a similar policy to that of enlightened unselfishness.

It is for free traders to bestir themselves and show the benefits that will arise when trade between nations is as free as it is now between the states of the Union. It may be said that our debts and necessities for revenue will not permit free trade, that fear of being flooded with the products of pauper labor of Europe will be also potent. While necessities for revenue may force taxes on foreign trade yet if those taxes are laid for revenue only, we will have a lower tariff than any the country has known since the famous Walker tariff of the fifties, and yet have ample protection. Even Blaine in his 20 years in Congress conceded we had wonderful prosperity under that tariff, though he claimed the prosperity was in spite of the tariff and not because of it.

Protecting walls may do in case of infant industries in a young country as John Stuart Mill conceded, but when the country is the strongest and most productive country in the world and its infants have become giants, the high protective argument becomes an absurdity.

It is our duty then as believers in the civilizing and moral influences of Free Trade to spread the light and do our part to help forward the era of peace between nations.

Protection Will Darken Counsel

By E. N. Vallandigham

Protectionists are alert to promote their own selfish ends when the negotiations at the close of the world-war shall bring up the great question of trade relations. Every important power involved in the war upon either side, except Great Britain, has long maintained the policy of protection, though the vastly preponderant weight of scholarly opinion in all the warring countries, among all neutrals, favors free trade. Although many of the British statesmen have declared against an economic war to be aimed at the Central Powers after the war of fire and sword is ended, a movement looking toward such a policy has been definitely discussed at a conference of the Entente, and even British free traders have approved the proposal to use temporary commercial discrimination in order to exact from the Central Powers reparation for the damage done by the war in Belgium and perhaps elsewhere. Such a policy of trade discrimination, indeed, is pretty generally urged by men of almost all shades of economic opinion as a means to be resorted to in the future

for the purpose of restraining nations from warlike attack upon their neighbors.

Our own protectionists, of course, are eager to take advantage of the situation thus created, and the mutual hatreds born of the war will play directly into the hands of protectionists here and abroad, while the urgent need of revenue may incline even some free traders in both Europe and America to sanction tariff duties in which there shall be a large measure of protection. Above all, the suggested policy of temporary trade discrimination with a view to exacting reparation for the ravages of war will give the protectionists an opportunity to darken counsel and promote dissension for their own purely selfish objects. Luckily for the cause that the American Free Trade League represents, the admirable memorial prepared by Messrs. R. R. Bowker and George Haven Putnam, signed by many free traders in the United States, and delivered to the visiting European statesmen, denounces any attempt at relatively permanent trade discrimination by the Entente.

Powers as against their opponents, and definitely declares for the freest possible trade relations not only between the members of the Entente, but also as soon as possible with Germany and her allies. The signers of that memorial fortunately include every sort of American free trader, from those who profess extreme pacifism to those who believe the war against the Central Powers a righteous one in which we have properly engaged, and the language of the memorial is such that no sane free trader can question its significance.

Free traders may expect that the protectionist will find the matter of trade discriminations for the purpose of exacting indemnities, punitive or merely reparatory, an instrument wrought directly to their hand, and it will be the game of the protectionists to mislead and disrupt free traders by professions of extreme devotion to the cause of reparation. Luckily there is one infallible touchstone by which we can distinguish the sincere free trader who favors temporary trade discrimination to exact reparation for the ravages of war, and the protectionist who hides behind this stalking horse. The man who talks loudly of such trade discrimination, but evades an equally clear declaration for free trade between the allies of the Entente and the earliest possible admission of the Central Powers to participation in such a *zollverein* upon absolutely equal terms with their present enemies, is no free trader but a protectionist of hypocritical profession. Free traders may perhaps disagree as to the justice of even temporary trade discrimination for a definite purpose, but they can have but one opinion as to the earliest possible formation of a free trade league of nations from which no willing nation shall be long included. The wisest of the British statesmen have repeatedly declared against permanent or long continued trade discrimination against the Central Powers, and have time and again acknowledged that universal free trade is one of the chief guarantees of permanent international peace and early disarmament.

We can thus easily detect the protectionist wolf in the pacifist sheep's clothing, but it will not be so easy to convince European and American public opinion that free trade is not only a policy to help guarantee the peace of the world, but to hasten the industrial rehabilitation of the nations whose manhood has so long been given to destructive rather than productive activities. Only a little more than a year ago an eminent public man told at least one audience in Maine, when rejoicing with his hearers at evidences of local prosperity that such prosperity was inevitable for us when so many men in Europe were busy killing one another rather than in producing wealth. The implication of this utterance is that the industrious producer abroad is for us quite as much an enemy as the armed soldier. Here is the essence of the protectionist fallacy in a nutshell, and when the present war is over our native protectionists will be spreading this fallacy abroad by every agency that they know so well to em-

"It's An Ill Wind---"

Edmund J. Burke.

Of the several services that the war has already done mankind one of the most important is the demolition of many of the stock arguments of high tariff advocates. Of course these pretensions never had been able to stand examination, but loud proclamation and reiteration had the effect of making them seem true to the many who did not take the time to consider the matter.

First, the protectionist claims that a high tariff, by keeping out foreign goods from the home market, produced prosperity. The changes had been rung on this for at least forty years, and the fact that the country was not in a hopeless state of bankruptcy and anarchy, as indeed it was not, is not and never has been, was by inference, at least, due entirely to a high tariff. The country was more or less prosperous (we won't dwell on the panics of 1873, 1893 and 1907, all occurring during considerable periods of very high tariffs), had increased greatly in population and wealth between 1870 and 1910, during this entire time a high tariff had prevailed, hence, prosperity was due to protection, anyone but the ignorant, prejudiced and unpatriotic free traders could see that. The fact that the increase in material wealth and prosperity of the U. S. had been relatively greater 1850-1860 than for any other decade of its history and under its lowest tariff was forgotten; that England under free trade had become the richest of nations was not mentioned, or if a free trader called attention to it he was denounced as unpatriotic and a hireling of the wicked Cobden Club.

But this war gave a thoroughly practical and visible demonstration of the falsity of any such claim or pretense.

Their hired mouths will be shrieking it from a thousand platforms into the terrorized ears of workmen. Their subsidized press will be sending it broadcast in a hundred different forms, and what our own protectionists do at home will be zealously seconded by those of Europe. In other words selfish interests will do all that unlimited wealth can do to persuade the peoples when they have made a military peace that the enemy so recently in the field and trench, the warship and the fighting aeroplane, is not less deadly in the workshop and upon the farm. A sane mind might suppose that this fallacy had but to be stated in clear terms to refute itself, but free traders in the United States have vainly set forth its absurdity to the American people for more than half a century. The world never needed the enrichment and the pacification that will accompany free trade more than it will need that balm and stimulus after this unspeakable destructive war, yet free traders will find their task of propaganda perhaps more difficult than ever.

Belgium, France and Great Britain being engaged since early August, 1914, in a life and death struggle with the military autocracy or oligarchy of Germany, and these four peoples being the principal manufacturing ones outside of the U. S., partly by reason of the blockade of Germany by the Allies but principally because of the intensity of the struggle and consequent lack of goods for export from the warring countries, the imports of manufactures into the U. S. were reduced to a much lower point than even the highest tariff had ever been able to accomplish.

This effectual keeping out of this country of the products of the "pauper labor of Europe," which according to high tariff advocates was much to be desired and was so necessary to the happiness and prosperity of the people of the U. S., had a very different effect. Almost immediately, stock exchanges closed, railroads and factories ceased to pay dividends, labor was without employment and there was a general and rather acute business depression only gradually and partially relieved by the excessive demand for war supplies.

Another claim of the so-called protectionist has been that high prices were desirable, to quote one of their high priests, former President Benjamin Harrison, "a cheap coat made a cheap man." This is another fallacy that the war has exposed. Because of the war, with the consequent drawing of labor and capital to destructive rather than constructive employment, prices have soared higher than even the highest tariff was able to put them. Again, however, the effect has been disastrous, and in spite of the general employment at relatively high wages, the cost of living is so much increased that everyone excepting a few privileged persons or profiteers and gamblers is suffering and hoping for effectual and speedy end to the war and to present conditions.

Again, the claim of the protectionist that a high tariff produced high wages has been disproved, for at present, under the lowest tariff that we have had for 50 years, wages are higher than ever before.

There has never been any economic truth in any of the claims or pretensions of the high tariff or protectionist advocates, but it is a real service to have them disproved by facts and concrete illustrations such as we have had in the past three years. It is to be hoped that the lesson has been clearly learned from these illustrations and that the people of the country will remember it and not again listen to the specious arguments that will be used for returning to a high tariff at the end of the war. We are in a better position now than ever before for resisting the selfish demands of the comparatively few tariff beneficiaries. The graduated income taxes and corporation tax added to the internal revenue taxes will be sufficient for the needs of the government after the war even should all the tariff taxes

be abolished, and there will be no danger of any so-called "dumping" below cost by European countries since they will have all they can do to replenish their own exhausted stock, capital and generally bankrupt condition.

Trade with them we must for our own benefit, as well as theirs, and in order to get paid for the vast sums we have loaned abroad; and the lower the prices of their goods the better for us, as we shall get more goods in return for our exports. It is only to the distorted mind of the protectionist that paying more for a thing than it is worth is a blessing. The sincerity of this claim has always been open to doubt because the most ardent protectionists and frequently those benefiting most by keeping out foreign goods and boosting the price of their own products to the people of the U. S. were much in favor of travelling abroad and bringing in their individual purchases duty free, even smuggling them in at times.

TRADE KNOWS NO FLAG.

Men trade as fish swim and birds fly; Trade knows nought of what we call states; it has to do with men as men, and makes no note of flags at all. We see two lands side by side each with its own flag and with walls to keep out cheap goods. The idea, of course, is that if these walls were not there it would be bad for both lands; Trade in each would fall off, men would be thrown out of work, and so forth. Each needs a shield to ward off such ills from its own trade. But at length it is thought best that they should join and have one flag. This is done by a scratch of a pen; the two Kings sign their names and one steps out. What has this pen scratch to do with Trade? Not a thing. Yet lo! the first move that is made is to pull down the walls. How comes it that a scratch of a King's pen can so change the facts on which the walls were built, if they were facts? There is no change in the trade of the two lands, though they now have the same flag and King, and if, ere this was done each had need of a shield, they need those same shields just as much now. But, of course, good sense tells them that the folk of any one Land ought to have Free Trade in their own lines, and since the lines now go round both the joint states they act on this idea. And of course they find it good for all. But, so it would have been just as good for all when they had two flags.

Look at the U. S. All the States which make up that great Land have Free Trade each with each, as they all own the one flag, but the State as a whole keep up a high wall all round the shores. Now, is it not clear that if Free Trade is good for each State, it would be just as good for them as a whole? And can you doubt that if they broke up and each had a flag of its own they would start at once and put up walls, just as though Trade made note of such a change? The fact is, as all must know, that Trade pays no more heed to the bounds of States than do birds as they fly or fish as they swim.

GOLDEN BOYS

By W. M. Letts

Not harps and palms for these, O God,
Nor endless rest within the courts of heaven,—
These happy boys who left the football field,
The hockey ground, the river, the eleven,
In a far grimmer game, with high elated souls
To score their goals.

Let these, O God, still test their manhood's strength,
Wrestle and leap and run,
Feel sea and wind and sun;
With Cherubim contend;
The timeless morning spend
In great celestial games.
Let there be laughter and a merry noise
Now that the fields of heaven shine
With all these golden boys.

—From "Hallowe'en and Poems of the War" (Dutton, New York).

In the first place see the great cost of it. You must have guards to watch the shore and a whole army of chiefs and clerks to keep track of goods that come in, so that when all is done it may cost one-half the tax to get the other half.

* *

In the next place it is a mean plan, for the men in charge must search each box and trunk and act the spy all the while. And then, as no man thinks it wrong to dodge the tax on what he has paid for, it leads to tricks, and false oaths, frauds and bribes. All that the plan costs goes to swell the price of the goods brought in, and the man who at last buys them pays the whole shot, though he does not know just how much it is.

—From the Whole-Hog Book by J. W. Bengough.

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Editorial

In Retrospect

In 1884 several hundred of the "solid men" of Boston, realizing that many of the industries of New England were being crushed by the burdens and unfair discriminations of protectionism, met in Young's Hotel and organized the Massachusetts Tariff Reform League, with Charles Francis Adams as President and Josiah Quincy Secretary. Hon. Henry L. Pierce was President for eight years, 1886 to 1895, with Emerson W. Judd, Charles S. Hamlin and Martha E. Parker, successively, secretaries, and under his wise and patriotic lead and generous financial aid, the League took an active part in the elections which made Grover Cleveland President of the United States and William E. Russell Governor of Massachusetts. John F. Andrews, R. D. Burnett, Moses T. Stevens, John E. Russell, P. A. Collins, Sherman Hoar and George Fred Williams became members of Congress; two, Nathan Matthews and Josiah Quincy, became mayors of Boston, and Winslow Warren collector of the port of Boston.

In 1888, as its membership and influence extended, it assumed the name of New England Tariff Reform League, changed in 1894 to New England Free Trade League, and on November 9, 1901, it took the more national title of American Free Trade League.

Henry W. Lamb became President on the retirement of Mr. Pierce in 1895, and, with the efficient aid of Miss Parker, carried on the educational work. A few years later Miss Parker married Dr. Amos Irving Hadley, but is still a faithful, devoted worker on the executive committee of the League.

So much for the beginning of the League. Still filled with devotion the members work constantly to push ahead the principles of peaceful intercourse with all the world.

An organization of privileged interests, called the National Business Men's Federation, is planning to supply schools and colleges with literature in advocacy of a high protective tariff. We must not let this vicious propaganda go unchallenged. Our mission is to teach our youth of peace and co-operation through Free Trade.

Employer: You must vote for Protection. Free Trade will cut down your wages.

Workman: Be the powers, if you believed that, you'd vote for Free Trade yourself.

"Europe, Civilization, Humanity, cannot be saved by Force. They can only be saved by Equity, the eternally necessary basis of Harmony.—Henri Lambert, member of the Free Trade League of France, and manufacturer in Charleroi, Belgium.

Sired By War

Out of the Napoleonic wars came, almost exactly a century ago, the definite beginning of our protective tariff. Fifteen years later the gross iniquities of a system adopted almost by common consent and with the understanding that it was a mere temporary expedient, drove South Carolina into the madness of nullification. Jackson, who would have given this anti-national fallacy its death blow, found his hands tied by a compromise between the nullifiers and the protectionists, a compromise contemplating the gradual reduction of the protective tariff to what was supposed to be a mainly revenue rates. When the time came to make the final cut in the tariff the terms of the compact were broken, and the protective system was saved. A few years later we had in some measure approximated to a revenue tariff, and a Democratic platform had found courage to utter the phrase "free trade" when the South, long doubly isolated from the great stream of national life by its own "peculiar institution," slavery, and the peculiar institution of Pennsylvania and New England, the protective tariff, resorted to the worse madness of secession, and out of the resulting Civil War came the protective system, more oppressive and iniquitous than ever. Protection has been the child of war, as free trade will one day be the parent of peace, and with the close of the present vast conflict of nations, there will be everywhere once more the cry that the protective infant must be saved and nourished. Never have free traders been more clearly under obligation to speak out uncompromisingly than at this very instant. Few public men have the courage, perhaps few have the conviction, to declare for free trade, and some who have been consistent in advocating tariff reduction are likely to yield now to the kind of arguments that gave us the protective legislation at the close of the Napoleonic wars. The President has intimated his distrust of some such arguments in particular instances, but he can not take ground greatly in advance of his party. Fortunately, the head of the new Tariff Commission has disappointed the protectionists in some of his recent utterances, and heartened tariff reformers, but he is only one man in a body that may not as a whole share his views, and the commission besides is only an advisory council of experts, not a third legislative house. The protectionists will not be modest in their demand, or scrupulous in their arguments, and free traders can not meet them too frankly and courageously.

"Whatever you do, be very careful not to take measures which would do you more harm than the enemy."—Asquith.

Without Prejudice

There is very good evidence that the new leaders of Russia recognize the fact that customs duties and protective tariffs, so-called, are among the chief causes of international wars and will therefore use their influence to reduce or abolish trade barriers of every description. Universal and permanent peace being not only the desire but almost the religion of the people of Russia, it will probably be easy for the popular leaders to accomplish the abolition of tariffs so far as Russia is concerned.

In addition to the above the Russian people are opposed to government granting special privileges and so for this reason too will be against a tariff.

While it is true that the mass of the people in Russia are illiterate, to the point of seeming stupid almost, they are accordingly, without preconceived notions and misinformation, so that any simple, economic truth presented to them finds lodgement at once.

With Great Britain committed to and practicing free trade during the last seventy years or more, Russia desirous for it and the United States under the present administration more than friendly toward it and fully aware of its economic soundness and truth and all the peoples of the world desirous of universal and permanent peace and therefore eager to adopt any measures contributing to that end, it will be surprising if the end of the war does not find the world much nearer to a free trade basis than could have been dreamed of four years ago.

One of our most welcome exchange publications is that issued weekly by the United Grain Growers of Canada, called the Grain Grower's Guide. Their president, Mr. T. A. Crerar, has been made Minister of Agriculture in the new Union Cabinet of Canada. The farmers have been agitating in the past for American farm tractors to be permitted to come into the country at a reasonable price, which the "protective" duty prevents. Speaking editorially, the Grain Grower's Guide says in referring to the new Cabinet: "There have been no bargains and no promise in respect to the tariff, which is naturally a burning question in the West, but we may take it for granted that there will be no increases in the tariff and if any change is made it will be in the nature of a downward revision. It is reasonable to suppose that when the new government begins to consider domestic problems and the absolute necessity of increasing food supplies, that the implements of production may be placed on the free list.

In the meantime they (the farmers' organization) will carry on their educational work, and will give the union government whole-hearted support so long as its actions and conduct warrant that support."

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WILLIAM LLOYD GARRISON
Son of the
Great Abolitionist

Edited by
The Executive Committee

Object—The Freedom of Trade and Communication from all Restrictions.

Membership.—One Dollar a Year.

Entered as Second-class matter at the Postoffice at Boston, Mass., Sept. 25, 1916.

Article II.—The object of the American Free Trade League shall be to free the trade industries and the people of the United States from any tariff except those imposed for revenue only, AND TO HASTEN THE TIME OF FREE EXCHANGES BETWEEN ALL NATIONS.

A CHANGE OF TREASURERS NECESSITATED

Mr. John Ritchie, who has served as treasurer since 1905, has recently resigned. James R. Carret, a well-known Boston lawyer, an active member of the League since 1900, has consented to serve.

Mr. Ritchie's interest in the welfare of the League led him to make the request, thinking, as he said, "a younger man was needed." Those who know the valuable assistance he has rendered the League regret the change had to come. One who knows him well says: "He is one of the truest, most single-hearted men who ever lived."

A REASSURING WORD.

They were back from the honeymoon trip abroad and the vexatious delay at the custom house over the bride's \$100,000 necklace had brought indignant tears.

"I think the Democrats are right about the tariff; it's an outrage."

"Don't cry, dear," said the fond husband, "just recollect that if it wasn't for the tariff you wouldn't have a \$100,000 necklace."

MAIL YOUR FREE TRADE BROADSIDE TO A FRIEND.



The Town That Would Live Unto Itself.

Reprinted from "The Nation's Business," published by the U. S. Chamber of Commerce, Washington, D. C.

It has been related that a certain Chinese city achieved great fame during the reign of the illustrious Chow through the skill of its washermen. The glories of its laundries was sung in caravans and trading junks. Merchants from Annam and Formosa and Thibet were drawn hither by the publicity, who after having their garments cleansed, sold of their wares to the people. The carrying off of this money so enraged the citizens that the old toati called a conference. Disregarding the protest of

the village's lone old economist, the conference reached this decision; "We shall lock all strangers out of our town and allow our inhabitants to become rich by washing for each other."

Accordingly the gates were barred and guarded, a "Society for Keeping the Money at Home," was formed, and the citizens began furiously to wash each other's clothes. At the end of a short time they had all become very clean—and completely bankrupt. Whereat they were sorely puzzled. Had they not kept every cash of their wealth at home?

American Free Trade Ideals

Delivered Before the National Institute of Social Sciences, New York, January, 18, 1918

American Free Trade League. Geo. Haven Putman, President

The purpose of any body of men who work intelligently to bring about a change in national or in international policies is, of necessity, twofold.

The final aim, which represents the ideal, is, of course, never to be forgotten or obscured. It must from time to time be restated with full emphasis for the guidance and for the inspiration of the believers, and for the information also of the opponents; but the immediate effort must be given to the things next in order, the things that may be accomplished now, and the accomplishment of which constitutes the present duty.

The final aim of our American Free Traders includes the abolition of tariff barriers, the freeing of trade from all unnecessary burdens and exactions.

Interferences with trade relations and with freedom of exchange are costly. They lessen the productiveness of industry and diminish the returns to be secured for labor and for capital. In so doing, they diminish the resources of the world, or at least diminish the legitimate increase of those resources.

In the year 1918, our world, exhausted by war, has pressing need of all of its resources. Any action that prevents the fullest possible use of labor and of capital, in whatever channel these may be operating, for lessening misery and restoring comfort, constitutes a crime against humanity. But the injury of interference with freedom of trade relations does more than to lessen the value of human effort. Freedom of exchange, a widening of trade relations, delivered from unnecessary and artificial barriers, means not only a widening of the exchange of goods, but an exchange of men, of correspondence, of information, of ideas.

It is a truism to say that prejudices, whether personal or international, rest in large part, in chief part, upon ignorance. Freedom of trade, which means freedom of intercourse, tends, of course, to lessen the ignorance and to diminish the risk, one may say the certainty, of international prejudices.

Nations can have with each other but two sets of relations, one based on force and one on exchange. The larger the interchange of men between any two countries, the closer the web of commercial interests that as a result of trade relations is built up between two countries, the larger comes to be the knowledge about each of the other. The exchange of travelers, and above all, the exchange of books, the transmission of literature, means the exchange of ideas. It is through the largest possible circulation of literature, which ought to be restricted by no political boundaries or restrictions, that there is produced the exchange of ideas. It is in this way that people learn to

think, to act, and to feel together. It is through the knowledge that has finally come to us Americans of the ideals for which France and England and Italy are fighting, that we are now able not only to feel together, but to fight together.

The immediate duty before our Free Traders is to use their influence to prevent at the settlement after the war the increase of the existing tariff barriers and the creation of any new barriers. We protest against the scheme of economic boycott, which means economic war, proposed by the Paris Conference. This scheme is itself an admission of the fact that protective systems, in addition to being the frequent cause of war, do themselves constitute a form of war. They are an extension of a state of war. Economic war does not involve, at least directly, the slaying of the opponents or competitors, but it does from time to time bring about the ruin of those competitors. It constitutes not only a restriction, but an aggression, upon the freedom of action of citizens on both sides of the boundary line which is made a barrier. It is an interference with the right belonging to all peoples to life, liberty and the pursuit of happiness. Any restriction placed upon freedom of action, which is an essential factor in the pursuit of happiness, must show very good cause indeed for its continued existence. Through extended business relations and continued personal association, there results not only business advantage, but the larger service of development of character and of mutual confidence.

With the close of this war, we should arrive at a new theory of the state, and this theory should express full antagonism to the "divine state" theory upheld by the Kaiser and the militaristic gang of Prussia. We hold, in opposition to Treitsche and William of Prussia, and to Germany as now constituted under the lead of Prussia, that the State exists for the individual and not the individual for the State. We hope by this war to overthrow the pernicious doctrine that a state, any more than an individual, is to be permitted, under the world's law, to press its own development at the expense of the rights, the interests, the safety of its neighbor.

We Free Traders look forward to seeing the political lines becoming in the near future of less and less importance. The Nations that have been fighting together with identical aims, the maintenance of civilization, the preservation of human rights, will have a strong incentive to continue to work together in time of peace. It is only, however, with the lessening of tariff barriers, with the passing of the idea that there can be final profit to a nation through crush-

ing, or ruining, or despoiling its neighbors, that the larger idea of state relation can take shape.

The Prussian belief that any nation can assume for itself a special authority from the Lord to dominate and despoil its neighbors, has not been, and cannot be, accepted by America, but if we repudiate Prussianism, we must repudiate its twin brother protectionism. We must make clear to the world that, irrespective even of ethics or of human relation, there is more advantage to be secured from one's neighbor by trading with him than by killing him, or by bringing him to ruin. Prussianism is but an extreme development of protectionism,—the belief that a nation has to fight for its own development and that only in so doing can it secure lasting advantage.

If America is to do its part in the final settlement towards the organization of a League of Nations, a league based on justice, a league the purpose of which will be to maintain peace throughout the world, America must modify the policy of protection which it has maintained during half a century.

Many of us believe that in advance of the constitution of a League of Nations, the shaping of which may easily take years, our Republic should, after our war alliance with England has come to an end, bring about at once an alliance in whatever form may be found most effective, a combination at least, of the English-speaking peoples of the world. Such a combination could itself, in advance of the organization of the League of Nations, maintain the peace of the world.

An important step, however, towards such a combination of the English-speaking people would be a change in our national policy, a change which would enable us to trade on equal terms with Britain, to smash the tariff barriers along the Lakes, and to build up, through freedom of exchange with Australasia, a great trade in the Pacific. That would have value from the commercial point of view, but the larger, the essential, thing is that through such a combination, first of the English-speaking peoples and then of the civilized states of the world, we should make a great step forward in the relations of humanity and in the development of civilization.

Commerce is not gambling among nations for a stake, to be won by some and lost by others. It has not the tendency necessarily to impoverish one of the parties to it, while it enriches the other. All parties gain, all parties make profits, all parties grow rich by the operations of just and liberal commerce.

When steel plates and other steel material is sold more cheaply in Europe than to the shipbuilders at home, is it any cause for surprise that the builder's hammer rings merrily on the Clyde while the yards stagnate at home!

HISTORICAL.

The American Free Trade League elected as its third President, Henry W. Lamb, of Boston, who gave to the office the fullest measure of devotion, in time and money. His term of office was from 1895 to 1904. John DeWitt Warner succeeded Mr. Lamb and served until 1909, when William Lloyd Garrison became President in April of that year. Mr. Garrison died in Sept. of that year. In the following May, 1910, Louis R. Ehrich, of New York became President, and died in the following October. In May, 1912, Harvey N. Shepard, formerly chairman of the Executive Committee, assumed the office. In June, 1916, George Haven Putnam, the present head of the League, was elected.

Following Miss Parker's resignation as secretary, came Gen. Hazard Stevens, who resigned from office through business interests which took him out west in 1904. At this time William Lloyd Garrison became secretary, and established the Free Trade Broadside, becoming President in 1909. Charles F. Lovejoy succeeded as secretary, being followed in turn by Roger Sherman Hoar, who revived the "Broadside," July, 1911, and continued its publication until January, 1913. He resigned May, 1913. From that date until June, 1916, Miss Anna K. Rogers acted as secretary pro tem, Miss Rogers being unable to give her full time to the work of the League. K. B. Elliman was appointed secretary, on the last named date. At the annual meeting he was displaced by James Middleton.

Grain Growers' Guide, Canada: We hear a great deal about making the world safe for democracy. It will never be safe for democracy until the great class of food producers are unburdened from the impositions that tariffs have placed upon them during the last fifty years.

A protective tariff can only have two chief and inevitable effects: 1. It would reduce our aggregate national income, and so our resources alike for armed defence upon the one hand, economic defence upon the other. How can the advocates of a policy which diminishes our funds alike for education, scientific experimentation, and technical equipment (the supreme need for successful competition with Germany) plead "defence"?

2. It wastes the sources of public revenue. A large proportion of the gross yield of a tariff is consumed in expenses of collection. By enabling protected industries to raise their prices it throws on consumers a burden of payment vastly greater than the gain to public revenue. The incidence of this burden is heaviest on the poorer working classes, for the prices of the necessities of life are subject to the greatest increase. Thus the standard of living of the workers is depressed and their productive of efficiency impaired.—Hobson, in "The New Protectionism."

MAIL YOUR FREE TRADE BROADSIDE TO A FRIEND.

French Political Economists Meet

Proceedings of the 75th Anniversary of the Societe d'Economic Politique

Translated by Erving Winslow, Vice President for Connecticut.

The 75th anniversary of the French Society of Political Economy, celebrated last November, was in marked physical contrast to the notable celebration of its 72d which included representatives of numerous similar and sympathetic foreign organizations besides a great assemblage of local leaders. Many of these are in retirement through bereavements by the war, others are in service at the front, some have laid down their lives for their country. In 1912 the commemoration brought together delegates from the Verein für Sozialpolitik of Berlin, the Society of Political Economy of Munich, the Austrian Economic Society and the Belgian Society of Political Economy whose President as Burgomaster of Antwerp remains at his official post to meet so far as may be the exigencies of the German occupation. Besides these, three years ago there were delegates present from the English Cobden Club, the committee of Political Economy from the National Liberal Club, the Royal Statistical Society, the Royal Economic Society, and the Personal Rights Association. The American Economic Association and the American Academy of Political and Social Science were also represented. The gathering was so large as to fill the great hall of the Sorbonne, whereas in November the Paris rooms of the Society accommodated all the attendants, mostly local, and expressions of sympathy were manifested chiefly by correspondence. The proceedings were interesting and inspiring, however. Short addresses were made by Baron Otori of Japan, Minister to Mexico, and Mr. Walter Berry of the American Chamber of Commerce. A paper was read by the second President of the Society, M. Raphael-George Levy, containing brief eulogies of eminent financial economists, from Leon Say to Leroy-Beaulieu, and an address made by M. G. Schelle upon "The Progress of Economy for the Half Century from 1842 to 1892." The discourse of the President, M. Yves-Guyot, contained the following passages:

"After the decree of 1877 instituting courses of political economy in the law departments, certain of the professors in charge believed that they must impose upon the French the ethical-historical theories of M. Schmoller, whose 'satisfied fatalism' provoked the raileries of A. Wagner whom M. Schmoller on his side considers as merely a metaphysician. These two adversaries, colleagues at the University of Berlin, united by an equal devotion to German imperial politics, were considered as having completely eliminated from French science the physiocrats, Adam Smith, Jean Baptiste Say, Dunoyer, Bastiat, Michel Chevalier, G. de Molinari, and the British economists. This

Germanic invasion had for about fifteen years a certain success. It was a convenient view point: economic science has never been anything in Germany but an official servant of the governing class. It seeks only the truths which suit its policy and the means which may serve it. Transported to France it permitted the professors to maintain a protectionist, bimetallist teaching, to preach various kinds of socialism, to teach to law students that the fiscal ethics, expounded by Adam Smith, were worthy of nothing but scorn; that fiscal policy should be a means of apportionment of goods, and under pretext of solidarity, an instrument of spoliation whose management should be given over to those who, not paying taxes, would attempt to benefit themselves at public expense.

"A publisher has unconsciously dealt a very grave blow to this teaching by publishing French translations of Schmoller and Wagner. Once their works were put within the reach of all, they lost their prestige! 'Is that all there is to it?' thought the greater part of their readers who found themselves thrown back upon the French authors and professors, now stripped of pedantry and exposed to the light of day.

"We may say that, doubtless in different degrees, almost all the professors of political economy, members of the Society of Political Economy, are attached to the principles of the school to which Leon Say gave the title of 'liberal.'

"A professor of a great department, who pursues J. B. Say and Bastiat with a personal hatred, has said with bitterness: 'Certain authors believe that the liberal school is on its decline. This is a great error!' and he adds: 'The liberal school has renounced nothing.'

"He spoke before the war!

"Today the question is: Are the facts which have taken place since the war of a nature to overthrow the economical doctrines which the war itself represented?

"As Herbert Spencer has shown, it is the aptitude for war which has constituted and developed political power. It represents the common action of the group in a single purpose: victory. During the war, even in modern societies, everything must be subordinated to it. The evocation of the *salus populi* admits of no contradiction.

"Of all the attributes of the State, the maintenance of exterior security is alone incontestable, but history teaches us that the chiefs of the State have often considered it under the form of a policy of aggression and rapine. The kings of Prussia have given to this conception its maximum effect. Bismarck and William II conquered Germany. William II wished to impose

on the world the hegemony of the German empire, but the general uprising which he has provoked against his ambition, the unanimous cry against Prussian militarism, which arises not only from France, from Belgium, from Great Britain, from the British Dominions, but from the United States, and the Republics of South America express the horror of nations advanced in evolution against a retrogression toward the civilization of militarism.

"Where are then the statesmen and publicists, and the many who affirmed with Harden that war might be a good thing, a source of profits, and treated with disdain the economists when they said: In normal times, in all nations advanced in evolution, men produce more than they consume; they raise families and many increase their capital? During war, all their energies are bent toward destruction. The capital of belligerents diminishes instead of increasing; and finally, human capital, the most precious of all, is struck at its vital sources by mutilations or by death.

"In internal affairs the different governments by their efforts to provide for the expenses of war and to try to minimize economic disturbances, prove to every one the superiority of the civilization of exchange. Militarism civilization acts under constraint; the civilization of exchange by contract. For three years we have seen governments and administrations substituting public for individual initiative in producing, in buying from abroad, in requisitioning and dividing at home, in fixing prices, in determining quantities. They have reestablished the system of provisioning of the time of Pharaoh and Joseph, and we hear ministers of Commerce and Food supply say as if they were the owners: 'I have so many bushels of grain, I have so many pigs, I have so many steers, I have so many tons of sugar, I have so many tons of leather, I have so many tons of coal.'

"Give us some," cry all mothers of families with anguish. And their anguish is justified.

"None of our governors seem to have read the chapters of Levasseur and Gomel, nor the recent study of Marion, devoted to the 'measures of maximum' taken during the Revolution. Otherwise they would know that requisitions suppress resources and that taxation strikes the consumer in two ways, producing a void in the market and raising the price of purchases."

* * * * *

"The various countries can only repair the ruins of war by an intense production. The workmen must show in the fields and shops an energy equal to that which they have shown on the field of battle. Unfortunately, in Great Britain as well as in France, the more and more extensive intervention of the State in production has established in the minds of the workmen the conviction that on the political action of trade-unions and syndicates depend the reduction of hours of labor and increase in wages. For them all economic relation between the productivity of labor and its remuneration has disappeared, the war assuring a certain and

liberal market, without connection with cost price.

"Socialists on the one hand, protectionists on the other, politicians who talked most loudly about our economic expansion and the conquest of foreign markets, treat the cost price as a negligible coefficient; inflationists of all classes always seem to think that an unfavorable change is a favorable factor for exportation.

"The protectionists have been obliged, from the beginning of the war, to renounce their affirmation that the custom house duties were paid by the foreigner. They have suspended duties on grain, then they have reestablished them. The State having become the provider of the grain, the custom house recognizes the duty which the service of provisioning pays to it. The same is true with iron and steel, all the objects which the State imports for the service of the army are subject to custom house duties, and the custom houses show flourishing receipts which provisioning and war pay to them from the tax levy.

* * * * *

"Simple-minded countrymen of our own hailed with enthusiasm in 1903 the Chamberlain manifesto: They cried 'The English have broken the idol of free trade,' and after the war began, they repeat this affirmation. But the vote of the congress of trade unions, which by 2,339,000 votes to 278,000 has just affirmed the necessity for the maintenance of free trade should inspire them with some doubts. I would advise them also to read the report of the Chamber of Shipping of the United Kingdom. They will find there numerous facts and criticism of the folly of the establishment of types and prices, the proof that 'the control or support of the State can never replace the energy and spirit of enterprise of individuals,' and if at the end of the war the British ship-owners require the direct and immediate confiscation of hostile ships 'as punishment of crimes against humanity,' they add: 'All international commerce is based on the benefits of all nations.' To try to continue during peace a policy of war is to meet with an impossibility, in contradiction to the ideal which the allied governments declare they pursue.

"Above protectionist interests, within groups whose conceptions are limited to what they consider as their special interests, we know already that there is a statesman whose personal authority is equal to the authority attached to his function as President of the United States. In the month of August, in his reply to the note of the Pope, Mr. Wilson said: 'We repudiate the establishment of egoistic and exclusive economic leagues, considering them as inopportune, worse than useless.'

* * * * *

"I will limit myself to recalling that war is made from States to States, while exchange is made from individuals to individuals: and this will suffice to keep me from confounding political questions and economic interests.

"If we do not wish to be as poorly prepared for the economic period after the war as we have been for the war,

we ought to study these questions, from an objective point of view, with the aim of separating them from ignorant passions; and we ought to give our opinion boldly: authority depends on the responsibilities which we dare to assume.

"Instead of remaining in a vague and equivocal position, we should strive, as a Society of Political Economy, to seize the realities themselves, certain that we keep as faithful to the tradition which its founders have left."

HIGH WAGES AND LOW TARIFF

The public in general and Free Traders in particular should carefully note and well remember all of the facts as well as the statements being let slip occasionally now by "protectionists" or high tariff advocates.

The Boston Transcript may be said fairly, I think, to be and to have been always an advocate of a high tariff. Now, note the editorial appearing in that paper of November 17, 1917:

"Some figures presented in the Protectionist regarding the recent increases of wages in the textile industries will surprise a good many outside of those industries. In January, 1916, the cotton manufacturers raised wages five per cent. Three months later, in April, 1916, they granted another ten per cent; in November, 1916, another ten per cent increase was made; in June, 1917, still another similar advance was given, and in October, 1917, another ten per cent was announced, making a total of five advances between January, 1916, and October, 1917. These increases were not, of course, merely on the original wage; each was calculated on the existing wage plus the last advance. Wages are, in this industry now fifty-three per cent higher than they were at the end of 1915. Never before in the history of the industry were wages raised so much in so short a period. The cotton manufacturing industry, however, is not the only one in which wages have gone up fifty per cent. Will these wages come down after the war is over? Not, probably, to the old figure."

It will be seen by the above that The Transcript has quoted figures "presented in the Protectionist," calling attention to five advances in wages between January, 1916, and October, 1917, and stating that wages were at that date 53 per cent higher in the cotton textile industries than they were at the end of 1915. They also state that the cotton manufacturing industry, however, is not the only one in which wages have gone up 50 per cent.

Now the public and the consumer take notice that these great increases have occurred under the lowest tariff that we have had for 50 years. Apparently, in future, high tariff advocates will find it difficult to maintain that high wages and wage increases only occur under high customs duties.

E. J. Burke.

MAIL YOUR FREE TRADE BROADSIDE TO A FRIEND.

RECOGNITION IN HIGH PLACES

That President Wilson fully understood the economic soundness of free trade was to have been expected, both because of his high education and fundamentally democratic instincts and performance. That he is not afraid to frankly and forcefully express himself in public on this matter is shown by the following sentence from his notable message to Congress on December 4, 1917:

"It might be impossible also in such untoward circumstances to admit Germany to the free economic intercourse which must inevitably spring out of the other partnerships of a real peace."

The above referred to the economic ostracism which might be necessary against Germany should the German people choose to remain under the autocratic, irresponsible, and frightful government which they now suffer.

The reference to "the free economic intercourse which must inevitably spring out of the other partnerships of a real peace," can mean only one thing, not only world wide free trade among the family of nations, with abridgement of same to any nation who, in future, cares, as Germany has done, to violate all agreements and every principle of honor, but also a realization that such world wide free trade is essential to any real and permanent peace.

E. J. Burke.

Fathered by William Lowndes of South Carolina, the protective tariff was born in 1816. Tariff duties were raised to an average of about 20 per cent; the embargo on commerce brought about by the war of 1812 forced manufacturing for home consumption and the chance to make "money breed" was avidly seized upon, and ruthlessly added to as years went on. Is it not time this centenarian slept with its fathers?

"... our (German) oppressive, unjust system of indirect taxation. The entire tariff and taxation system of the Empire, which amounts to a squeezing-out of the masses, i.e., the great needy mass of our population, and to which is due, for example, that in 1906 the cost of living for the masses of the people rose by no less than from 10 to 15 per cent as against the average for the period from 1900 to 1904."—Dr. Karl Liebknecht.

AMERICA.

Be just at home; then write your scroll
Of honor o'er the sea,
And bid the broad Atlantic roll,
A ferry of the free.

For he that worketh high and wise,
Nor pauses in his plan,
Will take the sun out of the skies
Ere freedom out of man.

—From Emerson's "Concord Ode."

CHARLES BOWDOIN FILLEBROWN.

Born in Winthrop, Maine, Dec. 26, 1842. During the Civil War he served as aide on the staff of General Barry and later with General Dwight. He was a faithful member of the American Free Trade League from 1900 until his death, Dec. 2, 1917. His books, advocating the Henry George theory of land values taxation will endear him to his countrymen for all future time.

He's gone; the mystery that we name Death
Has left us but an empty office chair;
His mortal form's evanished like a breath
That leaves the lips and melts into the air,
And we can only whisper—otherwhere!
Yet Memory, that equal mystery,
Gives back to us again the man we knew,
And evermore the friendly face we see;
The gentle voice we hear; the spirit true
Touches our lives, and in our hearts he lives anew.

J. W. Bengough.

Toronto, December, 1917.

AUSTRO-GERMAN CUSTOMS UNION

The attempt of the Entente at the Paris conference to isolate the Central Powers has had the natural effect of making a closer customs union. Foreign Tariff Notes says:

Among the Central Powers the movement for closer economic relations is centered largely in the agitation for a customs union between Germany and Austria-Hungary, although most writers on the subject intimate the possibility of including the Balkan States and Turkey and, ultimately, some of the neutral countries of northern Europe. From a perusal of a portion of the voluminous literature on the subject, it would seem that both the German and the Austrian advocates of the union are fully cognizant of the difficulties to be overcome, but believe that the concessions and sacrifices to be made will be more than compensated for by the increased strength which will enable the Central European nations to meet the economic pressure of the Allied nations after the war. The political opposition, due to the large Slavic element in Austria-Hungary, seems to be regarded as the most formidable obstacle, but it is believed that it could be recovered by diplomatic handling. The economic difficulties arising from the inferior development of Austria-Hungary along industrial lines is to be overcome by a temporary tariff between the two parts of the union, intended to enable the weaker country to withstand German competition during the transition period. It is pointed out that the cartel system could be utilized to limit the competition on the part of the stronger German industries and that the Austrian manufacturers of specialties requiring taste and special training have no reason to fear German competition. Opposition is expected from the large land owners of Hungary, owing to the fact that improvement in agricultural methods in that country, which is one of the benefits expected from the union, is to be brought about by agrarian reforms and the creation of small holdings. There are also some technical difficulties connected with the division of the revenue collected and the fiscal adjustments necessitated by

the loss of revenue on account of tariff concessions.

The benefits to be derived from the union, it is claimed, are both economic and political. The economic advantages will consist in the broadening of the home market, which will make for greater specialization and increase in scale of production the influx of German capital, which will have a stimulating effect on the economic life of Austria-Hungary; and the stronger position of the two countries in negotiating commercial treaties and resisting economic discrimination on the part of the Allied nations. The political advantages are regarded as so obvious that they are taken for granted, although it is generally emphasized that political autonomy is not to be affected by the union. While the question of including other countries in the purpose of facilitating the adherence suggested that provisions be made for the purpose of facilitating the adherence of additional countries in the future.

PROGRESS IN CANADA.

The new government of Canada in response to a determined appeal on the part of the Western farmers, has placed farm tractors valued at less than \$1,400 on the free list. They are now asking why the order does not include plows, harrows, seeders and other equally important food producing machinery. Every cent of taxes levied on these implements cut off the urgent increase in food for 1918. The farmers claim that the tariff tax that the government maintains on food producing machinery has exactly the same effect as the German submarines which have sent millions of bushels of wheat to the bottom of the ocean.

The Labor News, Worcester, Mass.: American manufacturers are putting up a big bluff when they refer to Europe's cheap labor as a menace to American industries. It is true that labor is cheap in Europe, but it is also true that production is much smaller than it is here, and that a high protective tariff is therefore unnecessary to meet European competition.

A MORAL ILLUMINATION NEEDED.

The nation needs a revival of faith and moral illumination. In all civilized countries stands a reserve of conscience, ennobling sentiment, capacity for sacrifice at duty's call, and moral enthusiasm so essential in the warfare of ideas. Small appeal is made to it, and it stands unvoiced and neglected. Protection is a form of human slavery, a device to take from the earner his wages and bestow it upon him who earns it not. It is responsible for material loss and maldistribution of the nation's wealth; but, immeasurably greater is its ravage upon the morals and character of the country. It needs to be indicted as a criminal. Its power to rob should be annulled, its lease of privilege revoked. Delay courts insurrection. . . . They who dread a temporary financial disturbance from the repeal of wicked laws, a phantom unrealized when justice dictates the change, are blind to consequences that follow grievances long repressed. Unless the moral forces rally and the realignment of parties is forced, the catastrophe but gainsers head. It is time to cease temporizing, and to summon the reserve that waits for the command.—By William Lloyd Garrison in the first issue of the Free Trade Broadside, April, 1905.

El Economista, Mexico: An Executive decree of August, 1917, provides for additional exemptions and reductions in duty on cotton manufactures, intended to benefit the poorer classes of the Mexican population. The new decree supplements that of July, which provided for the free admission of certain low-grade cotton textiles, and was made necessary by the fact that the first decree did not reduce the prices on cotton goods to a sufficient degree. They seem to have a very clear idea about the tariff in Mexico.

The following machinery and implements for agricultural use are to be exempt from import duty from October 1:

Plows of all kinds, irrespective of the number of disks; wheat threshers; grain winnowers; harrows; centrifugal pumps for irrigation and any other pumps for drawing water; sickles and scythes or hay cutters; scrapers for grading or leveling lands and other similar work; cultivators; grain threshers; cotton gins; dirt sifters or screens; coffee shellers; silos; fodder cutters; hay presses; fiber-cleaning machinery; hemp hacklers; reaping machines; seeders; tractors for ground tillage; threshers; electrical shearers; and in general all kinds of agricultural machinery, including spare and repair parts.

Iron pipe for irrigation will also be exempt, but in every instance of such importation previous permission must be obtained from the following three Ministries Fomento, Hacienda, and Comercio y Industrias. The same decree reduces the duty on barbed wire.

Trade After the War

Edmund J. Burke.

The muddled thinking and specious reasoning of protectionists is fully illustrated in "Trade After the War," a pamphlet by W. Frank Hatheway, of St. John, N. B., Canada. Like all protectionists Mr. Hatheway rattles along from one inconsistency to another, sometimes putting the cart before the horse; now claiming how desirable is the encouragement of trade between peoples of different nationalities and then immediately trying to prove that trade barriers are essential to Canada's prosperity; always oblivious to the fact that ship subsidies and high tariffs are and must be paid by the people of the country granting and imposing them, and that under them a privileged few grow rich at the expense of the many, that trade is interfered with, purchasing power reduced, national enmities fostered, periodic wars made inevitable and that spirit of aggression and world domination, which the civilized world is now fighting to abolish forever, created.

On p. 7 of this pamphlet Mr. Hatheway after quoting a friendly letter from Italy says, "All this is helpful. What use, however, are agents or trade commissioners unless we have the steamship lines regularly connecting us with the ports mentioned?" Mr. Hatheway should know that if citizens of Canada, Italy and France have materials and goods of such quality and price as to make trade mutually desirable, that there always have been and always will be shipowners willing and anxious to furnish the ships to transport them. It is largely because of barbarous tariffs and the consequent dearth of cargoes that ocean freight rates were so low as to make shipping an unprofitable investment for the years 1900-1913 inclusive.

On p. 12 the author gives as one of the necessary conditions of trade with Italy, "A low reciprocal tariff so that our separate needs can easily be satisfied." It never seems to occur to him that the same reasoning applies to the United States, France, and in fact every country in the world; and that if a low tariff is good none at all would be just that much better. On p. 18 the author seems to think that the demand of trade with the Allies but not with the enemy after the war is proper. Is not this simply continuing war and making another armed conflict inevitable? If the peoples of the Allies choose to trade with each other rather than with the peoples of Germany and Austria after the war they can do so without governmental trade restrictions. It is more profitable, however, for them in certain things to trade with Germans. Would not the Allied countries be punishing their own citizens in preventing it? On p. 26 the author grieves that England in spite of her wealth has been unable to "control the world trade," and that the United States and Germany had succeeded in increasing theirs.

If England has had or contemplates any such design we characterize it as being as evil as the Prussianism that we are fighting to rid the world of. On p. 28 is a wail that Great Britain's production of steel and iron had not maintained first place in the world and the implication that it was because of the "protectionist" policy of the United States and Germany that their production had increased relatively much more than England's. It is not surprising that countries having the great natural resources of the United States and Germany, and with originally small production of iron and steel should in comparatively recent years show a larger percent of increase than the older producer. Also, does Mr. Hatheway desire the rest of mankind to be limited in the use of iron and steel in order that any one country may retain a monopoly of production?

Mr. Hatheway cites an imposing array of facts and figures in an attempt to prove that England's free trade policy is wrong; whereas all they do prove is that the world has increased greatly in wealth during the last fifty years or so; and that if tariffs and such barriers are to be the rule in the future that wars such as the present one will recur periodically, now one nation and now another seeking world domination, and the peoples of the world as well as all legitimate trade and business suffering untold hardship, paralysis, and final destruction.

E. J. Burke.

REAL DYNAMICS

Back of all the aspirations and expectations of the Grain Growers' movement lies the conviction that the human individual in his personal life is intended to be a force which may be utilized for moving the common life of mankind forward. Each personal life is such a force, but in many cases the full maximum of power is never attained because the proper means for developing the facilities have never been exercised. In many cases powers that have been developed prove ineffective from lack of recognition of existing opportunities or because of infirmity of will or purpose on the part of the individual. We sometimes lament the apparent waste of natural forces because men have not been able effectively to harness powers known to exist. An infinitely greater waste is the wasted human powers that go from year to year undirected, unguided to any worthy object or task. Are we using our physical powers storing up the results of labor which may bless us and our fellowmen in time to come? Are we using our intellectual powers, increasing the scope and range of our thinking, enlarging our capabilities and helping others with ourselves to live broader lives? Are we using the moral and spiritual forces with which we have been endowed, purposely devoting them

ETERNAL VIGILANCE THE PRICE.

"It was never true that during wars the laws are silent, except that they speak not for those who are most oppressed. Parliaments legislate then, if ever, for the privileged, not the vested interests whet the scythes of a golden harvest."—A. W. Madsen, London, England.

FREE ZONES IN FRENCH PORTS

The creation of free zones in the principal ports of the country is being considered by the French Government. The project is of special interest to Havre, as it is the chief coffee market in Europe and also the leading port in France in the importation of cotton and in the commerce with the United States. The initiative in this movement, however, has been taken by Marseille. This may be explained by the fact that Marseille formerly enjoyed certain privileges which contributed greatly to its prosperity, and it is now desirous of reviving the system on a larger scale.

According to the understanding in the commercial circles of Havre, the proposed free zones would be limited to commercial transactions and would not include industrial operations. No manufacturing would be permitted, but only mixing, sorting, cleaning and other operations intended to improve the quality of the raw materials and place them in condition for sale. It is intimated that if the system is adopted it will be necessary for goods leaving the bonded warehouses of the free zones to be specially marked in order that there may be no misunderstanding on the part of the purchaser. At the present time it is prohibited to change in any manner goods in the customs warehouses, and the goods must leave the warehouse just as they enter. Although the proposal for the establishment of free zones is opposed by certain cities in the interior of the country, it is receiving serious consideration, and it is probable that it will be carried into effect soon after the termination of hostilities.

to the promoting in our own lives and in the lives of those about us of the things that are more excellent? Are we intelligently regarding our social, economic and general environment in order that we may find in it vantage points from which we may direct our energies for improving and ennobling it, that we may see the places where a little effort will help, where an encouraging word will stimulate and inspire, where half an hour's service will be eternal as the hills of God?

These are the things that satisfy because they endure. The momentary glow that comes with the acquirement of a new possession does not satisfy because it passes away. But the good that one does is never lost. It is taken up into the great world-wide, age-long enterprise of the Eternal and has its setting in the procession of the ages that moves the world toward the kingdom that is to be.—W. R. W., in Grain Growers' Guide.

Free Ports

By Calvin Tomkins, Vice President of the American Free Trade League, and Ex-Commissioner of Docks, New York City.

There has been much discussion at New York and elsewhere about free ports. The technical term "free port" signifies part of a port set off by a customs cordon, into and from which commodities may be imported and exported duty free; and within which raw materials may be manufactured into more highly finished products, thus avoiding the commercial and industrial disadvantages of the customs barrier—unless shipped into the back country, in which case the duties are paid. The best example of a free port is to be found at Hamburg, where it exists by sufferance of Prussia as a unique survival of the privileges of the ancient free city of Hamburg.

A free port is in effect an enlarged bonded warehouse district, and it will be found easier to expand bonded warehouse usages than to attempt the establishment of free ports requiring new and complicated legislation. Freedom to import and export materials for manufacture, duty free, can be secured by locating bonded warehouses or factories along the line of the public terminal marginal railroad, which should be an integral part of every properly organized seaport. Interior cities can also avail of this privilege by utilizing the through bill of lading in bond. Every bonded factory district of this description will constitute an oasis of commercial freedom in the great American desert of protectionism, and this brings me to the consideration of free ports in the larger sense of the term.

The great seaports of the world are the principal points of international contact. Improved communications have in effect made the world much smaller and its peoples far more intimate and interdependent in their relations. As transport has become rapid and cheap, the advantages of manufacturing seaports over other cities have become more apparent, and the relations of ports to civilization have vastly increased within recent years.

In every possible way freedom of transportation between the great seaports, and through them to the hinterlands, should be secured by international agreement. The issues of peace and war depend more upon such freedom than upon any other cause. In this connection let us consider the situation of the present belligerents.

Serbia wants a window on the sea, and is shut out by Austrian influence.

Bulgaria and Rumania entertain like aspirations.

Austria wants an outlet in the east—Constantinople or Salonika.

Russia wants ice-free ports on the Baltic and Pacific, Constantinople, a free outlet from the Black Sea into the Mediterranean, and also commercial access to the Atlantic.

Germany claims to be hemmed in by a ring of steel and needs the assurance

of the facilities of Antwerp and Rotterdam for her Rhine Valley commerce—security against being shut out from the east by commercial restrictions on the overland route, and freedom of the seas for her foreign commerce.

England must receive uninterrupted supplies of food and raw materials and her overseas communications must be maintained. This is true also of France, Germany, Belgium and other European countries.

Japan, like Germany, must have opportunity for her expanding population, industries and commerce.

All nations that are not in possession of satisfactory harbors on the sea demand outlets, and cannot and ought not to be contented till they get them.

The trade of Central Europe, including that of Eastern France, Germany, Austria, Switzerland and Russia, and their neutral service, or at least the use of the best equipped free port districts within them, as well as the use of bonded railroads between them and interior countries, should be extended and guaranteed. The public opinion of the world should seek to influence similar freedom for international exchange at Constantinople, Panama and at Adriatic, Aegean, Baltic and China ports.

Ports should be free in the sense that they should be public and not private enterprises—that is, planned and administered by public officials, and not by railroads, steamship or real estate interests.

Soon through her ports, a coast-line's length,

Untrammelled trade shall flow,
The guerdon of a nation's strength,
Uniting friend and foe!

No one (but the promoters) in the commencement of the protective policy ever supposed that it was to be perpetual.—Henry Clay.

"Well," said Mr. Hennessey, "what difference does it make? The foreigner pays the tax, anyhow."

"He does," said Mr. Dooley, "if he ain't turned back at Castle Garden."

The huge menace of a future German 'world-power, political and economic, and, when the time comes, military, is paraded before the heated and confused imagination of our people by our New Protectionists. My object is to inspect and test, first, the substance of this economic menace, and secondly, the validity of the measures by which it is proposed to meet it."

This object Mr. J. A. Hobson accomplishes in the carefully reasoned chapters of his timely book, *The New Protectionist*, \$1.00. Ask your dealer for it.

Editorial

ADD TO OUR NUMBERS

The Executive Committee takes this opportunity of urging each member to make an effort to get at least two new members for The American Free Trade League by May 1, 1918. This will treble our membership.

Every member must know of at least two people who approve of the principles of the League and should be members. An increased membership increases our influence, our income, our ability to propagandize, and distributes the financial burden in this time of stress. At the same time freedom of trade or reduced tariff barriers are so essential to a properly negotiated and permanent peace that contributions to the League are not only patriotic in the best sense, but are aids towards a victorious and permanent ending of the war.

It is most important at this time for the League to seek to attract to its membership and support all who believe in low tariffs as well as free trade; all who will support us irrespective of their other economic or political beliefs; and in our publications and propaganda to stick exclusively to tariff reduction and free trade.

When so radical and out and out a free trader as Henri Lambert, the Belgian manufacturer, advocates colonial free trade and lower tariffs as the probably possible immediate limits of international agreement no mere tariff reformer need feel alarmed. Labor need have no fear, as it is not only an economic truth but an actual fact that high tariffs and low wages go hand in hand. This is because wherever "special privilege" exists wages must be low, and since, a so-called protective tariff grants a special privilege to the few, the many must suffer both by reason of lower earnings and lower purchasing power.

Your officers are giving liberally of their time and ask your assistance both by increasing the membership of the League; and also urge members to send contributions to The Broadside. This will improve the quality of the publication and increase the general interest in the work besides properly distributing the burden. It is hardly fair to expect a few officers of the League to do all the writing and preparation of the quarterly.

The time is ripe, and rotten-ripe, for change.

Then let it come! I have no dread of what

Is called for by the instinct of mankind
—Lowell.

"Made in America"—sold more cheaply in Europe.

I regard "Protection" as unreasonable as an economic policy, dangerous as a political policy, unethical as a social policy, and criminally unjust as a class policy.—Edward H. Davis.

Our ship builders, and all our consumers of steel products are at a disadvantage with the foreigner because of tariff duties. The Steel Trust dominates the greatest industry of the country, and benefits in the Nation's dark hour with an appalling profit.

Admiral Chadwick: "There can be but one real precedent to universal peace: the demolition of the custom house; the opening of every waterway of the world to universal traffic; the sweeping away of all special spheres of influence; a like treatment of all men in all things, commercial or other."

The progress of work on ship-building in the United States has been retarded because makers of steel material required a higher price from the American consumers than they did from the foreign consumers for substantially the same products.—United States Bureau of Statistics, Commerce and Finance.

Grass Grew in New England Shipyards

Richard E. Hersom, Vice-President for Massachusetts.

We should take a leaf from the book of our opponents, the Protectionists, and govern ourselves not only by the lesson they teach but also by the information to be obtained from their practice.

One of the most useful lessons taught by them is to be found in placing a protective duty on coal and iron ore and its immediate effect on the shipping interests of the United States.

In that period just previous to the Civil war shipbuilding was the principal industry of the Southern part of Maine. The shipyards formed one continuous chain from Kittery Point to Eastport. The song of the ship-carpenters' saw, hammer and adz could be heard all along the Maine coast.

I must admit that about the year 1860 there was a change in the hulls of vessels from wood to iron. Yet we had the yards, mechanics, tools, implements and everything else for the further prosecution of shipbuilding, except the iron for the hulls and coal to work the iron with. This industry was tremendously buttressed with the fact that the shipping interests were superior on both land and sea in the United States. The "Yankee Clipper" built in Maine traversed every part of the ocean and carried the Stars and Stripes into every port in the world and that flag was recognized and respected by all peoples.

But the coal and iron monopolists of Pennsylvania and Ohio determined that this Maine industry should no longer continue unless it paid them 40 per cent bonus, through the tariff, on coal and iron ore. The coal and iron ore could have been had cheaply and with cheap transportation by water, from either Nova Scotia or Cuba and under those conditions the industry of shipbuilding in Maine could and would have continued. But they could not pay the bonus demanded by Pennsylvania and Ohio and

the shipbuilding in Maine went out of existence.

And the most unseemly thing about it is the fact that these interests of coal and iron ore were assisted in the nefarious work of destroying one of New England's principal industries with the labor and votes of the New England Senators and Representatives in Congress and they were promptly returned in most instances by their constituents.

A comparatively few people have benefited from this duty on coal and iron ore. The Carnegies, Fricks, Thaws, Baer's and Schwabs have amassed immense fortunes, but they are the only ones who have ever received any benefits. The laborers who have worked the mines have been compelled to work for small wages, lived under miserable conditions in hovels and were known only to their employers by a number painted on the back of their coat.

The excuse advanced for imposing this duty was that "the mines ought to be developed, for in case of war we would need them" and when war came upon us the very thing we needed most was ships for the transportation of troops and supplies, the very thing this duty had ruined.

We complain of a shortage of sugar with 9,000,000 lbs. in Java ready for distribution in the United States, but no ships to be had to go get it, as all the available ships are busy transporting troops and supplies to France.

When the voters in this country learn the fact that they belong to themselves rather than to some political party for the promotion or advancement of some capitalist pet financial scheme they will learn something of great importance to themselves.

MAIL YOUR FREE TRADE BROADSIDE TO A FRIEND.

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THE AMERICAN FREE TRADE LEAGUE

Seeks to change laws by changing public opinion. Public opinion is the one thing which legislators regard. To expect them to enact reforms without a public demand is idle. The mission of this League is to change opposing views by reason and argument. We ask all who have faith in the power of truth to co-operate.

Watch for your next Free Trade Broadside. It will contain matter of special interest to all members of the League.

Look at what protection has done to the American shipping industry. America has a vast coast line, and on the east a seafaring population, men with the spirit of adventure, descended from the Pilgrim Fathers and not afraid to go down to the sea in ships. Before the Americans adopted protection they did the main part of their carrying trade in their own ships. Who does it today? Britain does it. While American shipping has diminished by two-thirds, British shipping has doubled in value and more than doubled in efficiency and carrying power.—Hon. H. H. Asquith, 1906.

The Civil War, with its legacy of taxes, marked the passing of New England's commercial glory. Her fleet of deep-water vessels melted from the ocean, her harbors were artificially blocked by tariff duties on imports; many of her indigenous manufactures were starved out and her industries went, as we were told, "Where they were better off."

Annual Meeting of the American Free Trade League, 1918

The Annual Meeting of the League was held at the Twentieth Century Club on Tuesday, April 30, 6.30 p. m. In the absence of Albert S. Parsons, chairman of the executive committee, who is in California, John S. Codman, chairman pro tem, presided. The following officers were elected by unanimous vote:

George Haven Putnam, President Edmund J. Burke, Secretary
James R. Carret, Treasurer

For Executive Committee

Albert S. Parsons, Chairman	Mrs. Martha P. Hadley
John S. Codman	James Middleton
Judd Dewey	Charles H. Porter
George S. Harrington	Henry D. Nunn
Samuel Y. Nash	E. N. Vallandigham

The question of instituting a mail ballot, thereby bringing the members who live outside the State in closer touch with the work of the League has been discussed for some months, and on motion of Mr. Harrington, seconded by Mr. Middleton, the League was duly empowered to take such steps as might be necessary to prove the practicability of a ballot by mail.

It was unanimously resolved: That the members of the American Free Trade League regret the absence of their president, Mr. George Haven Putnam, made necessary by his call for service abroad, and desire to express their wish and belief that he will avail himself of the opportunity to further the cause of Free Trade between all friendly nations when peace is finally established.

That our greetings be extended through Mr. Putnam to the Cobden Club and Ligue du Libre Exchange.

That the thanks of the members be extended to Mr. Putnam for his combined letter of regret for his unavoidable absence and message to the League to stand firm for its ideals and vigorously push the fight for them.

That we wish Mr. Putnam a successful visit abroad and safe and pleasant voyage over and return. (Concluded on page 5)

From Men of World-Wide Repute

Preface and extracts from a pamphlet recently issued by the Cobden Club, London, England, and sent to George Haven Putnam, Pres. American Free Trade League, Boston.

When in 1914, the war, which has since devastated Europe, broke out, it was generally recognized both in and out of Parliament that a truce should be declared in the many questions of home interest which divided political parties, and that attention should be concentrated on the one great danger, which threatened the civilization of mankind, and the existence of the Commonwealth of Free Nations.

This truce has, in the main, been honorably observed, but it was inevitable

that rival schools of political thought should seek to find in the events of the war support for their own convictions and theories. In no case was this more certain than in the great controversy between freedom of trade and the artificial prohibition or restriction of imports abroad as a national policy. The organized barbarism of the German military system aroused the international hatred and jealousy which underlies the theory of Protection, and the extremists of that

party saw in the war an opportunity for a revival of the protectionist movement; some saw a prospect of economic injury to Germany, others the chance of higher prices for their own manufacturers; the effect upon the cost of the food and other necessities of our people appeared to have escaped their attention.

But while the voices of party organizations became less articulate, the experiences of the war brought the facts into their true light, and forced every belligerent nation to recognize that the system of protective tariffs as a means of raising revenue had proved a failure, complete and self-confessed. Germany, Austria, France, Italy, Spain, and indeed, in different degrees, all the protectionist countries of Western Europe, modified or abandoned their policy in the discouragement of imports from abroad, and were compelled to recognize that the Free Trade policy of the British Empire had endowed her with such exceptional wealth that she, alone, has been able to bear not only her own share of the burden of the war, but also to furnish her allies with vast supplies of money, provisions and munitions of war.

Indeed, it is not too much to say that the radical connection between Protection and war appears to have been brought home to all the belligerent nations and of all the schemes for a general and lasting peace which have been put forward, none has obtained wider acceptance than the demand for the "open door" in all countries, and the free and equal access of every people to the raw materials required for their own manufactures. It is realized that trade jealousies and trade restrictions had a great deal to do with fomenting the war spirit, and that, if that spirit with all its dangers is to disappear, a more liberal policy with regard to trade must be pursued for the future.

Mr. Asquith to the London Liberal Federation, January 15th, 1918.

There are two other matters of vital import, upon which I am glad to see that you are going to be addressed by speakers of authority, and as to which Liberalism should speak with no uncertain voice. The first relates to the conditions under which we are going after the war is over, to carry on our external trade. The war undoubtedly has illustrated the importance of establishing and maintaining within our own borders, by legitimate methods—by which I mean methods which do not in

the long run defeat themselves—certain essential and, as they are now called, basic industries. Nor will it be possible in the twinkling of an eye, as soon as peace is concluded, to drop the control which the war has rendered necessary over the normal course of imports and exports. But there is nothing in any lesson taught by the war to impair our faith in Free Trade as an indispensable condition of the prosperity and progress of a country situated like ours. There is one way, and one only, by which we can sustain the burden of debt and taxation which will weigh upon us for years to come and at the same time recreate and enlarge the fabric of our national wealth, and that is by increasing the energy and the productiveness of our agriculture, our mines, our manufactures, our shipping, and all the multifarious commercial activities for which we possess natural or acquired aptitudes. It can be done by education, by science, by organization, by inventiveness, by flexibility, by strenuous toil. It cannot be done by the artificial protection of tariffs.

Mr. Walter Runciman, M. P. in an article in the "Daily News and Leader," January 14th, 1918.

First and foremost we were Free Traders because we believed that untaxed imports were essential to the commercial and industrial prosperity of this country. Other countries could choose for themselves and base their policy on doctrines which we thought unsound, but it was our business to decide on what was or was not in the best interests of this country; and we were, as I believe, on the whole a Free Trade people because free imports were essential to the supplying of our industries and the feeding of our people. This can be proved by rules of arithmetic, and arithmetic remains what it was in spite of the tempest. Those who are tempted to allow passion and personal wrath to control them in national policy must remember that *revenge is a bad guide in business*. They must also remember what Free Trade has meant and will mean in the future to the poor. Untaxed food is essential to the poor, even if the well-to-do are prepared to pay for a tariff. I am not exaggerating when I say that if peace does not bring with it cheap and abundant food anarchy will find fertile soil in the miseries of the masses. The shortcomings of today are tolerated with ebbing patience because we are at war but once the war is over supplies of everything, butter, bacon, tea, sugar, bread, eggs,

oranges, and a multitude of essential foodstuffs will be demanded, not only in large quantities, but at the lowest world's price, free from any form of preferential or protective tariff. There is only one way of reducing the cost of living and nurturing a strong race, and that is by unimpeded abundance. Every channel must be opened, every merchant must be free to buy—that will be his national duty then—every source must be exploited, and the superfluities of every country must be welcomed to our shores. We must once more repair the inadequacies of our own land by the stores of Europe, America and the Antipodes, all alike finding a ready market here, free from fiscal machinery or barrier. Wherein has the war reduced that necessity? On the contrary, it has intensified it. And what is true of food is equally true of clothes, leathers, furniture, household fittings and utensils and all the hundred articles on which families depend for sustenance, warmth and shelter. So much is clear.

As for the raw materials of industry, or the semi-manufactured articles on which scores of trades depend, there can surely be no doubt. For recovery of markets and economical production in every shape these goods must come into our ports untaxed. The finished article is in most cases essential to the needs of the industrial classes. All these categories of goods will meet their fate at the hands of a future Chancellor of the Exchequer on some general ground, and that ground will not be different in the main from what it was in 1913. The working classes are still dependent on cheap and abundant food.

Lord Robert Cecil, in the War Aims debate in the House of Commons.

I want to make it perfectly clear that, so far as I am concerned, I am no advocate, nor do I believe that any member of the government is an advocate, of what is called an economic war after the war.

Resolution passed at the Labor Party Congress, January 26th, 1917.

That, in view of the attempts which are being made within the two belligerent groups for an after-war economic policy, having for its object the systematic development of the commercial relations of one group to the detriment of the other, and believing that such a policy would be economically disastrous to every country and would substitute economic war for military war, and that such economic war would ne-

cessitate the continued maintenance of huge armaments, would make a durable peace impossible, and would hinder the growth of international solidarity; and believing further that the future of the working class requires economic relations which would be favorable and not detrimental to the mutual development of the productive force of nations, this Conference, representing the working class movement of Great Britain, associates itself with the firm declaration of the French Socialists denouncing an after-war economic struggle, declares that the working class should oppose the after-war policy of the Paris Economic Conference, and demands a policy of Free Trade for every country, with safeguards for the maintenance of international labor conditions fixed by International Trade Union agreement.

Lord Parmoor, in an article in "The Contemporary Review," January, 1918.

* * * There is a school of thought in this country which, apart from a legitimate war measure, would desire to place special obstacles in the way of Germany regaining her place among the great commercial communities of the world. There are signs, however, that the strength of this school is not increasing. The boycott of a great commercial customer like Germany could not permanently benefit the trade of other European countries, and it is felt that such a boycott after the war would tend to engender trade friction and trouble at a time when, to prevent industrial disaster, all Europe should co-operate in the work of revival and recuperation.

Resolution passed by a majority of 2,961,000 to 278,000 at the Trades Union Congress, Blackpool, September 6th, 1917.

That, in the opinion of this Congress, the economic conditions created by the war have in no way altered the fundamental truth that Free Trade between the nations is the broadest and surest foundation for world prosperity and international peace in the future; that any departure from the principle of Free Trade in this country would be detrimental to the interests of the working classes—on whom the burdens of protection would press most heavily—and injurious to the prosperity of the nation as a whole, and that protective duties, by adding to the cost of the people's necessities, are unjust in incidence and economically unsound, *subsidizing capital at the expense of labor*. This Congress, therefore, instructs the Parliamentary Committee to

take the necessary steps to lay the views of this Congress before the Prime Minister.

President Wilson has repeatedly dissociated himself from any proposal to carry on the economic war after hostilities have ceased; perhaps the clearest expression of his opinion may be found in these words from his address to Congress on January 8th, 1918. The third item in the programme of fourteen points then given out, reads as follows:

III. The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.

* * * * *

We have no jealousy of German greatness, and there is nothing in this programme that impairs it. We grudge her no achievement or distinction of learning or of pacific enterprise, such as have made her record very bright and enviable. We do not wish to injure her or to block in any way her legitimate influence or power. We do not wish to fight her, either with arms or with hostile arrangements of trade if she is willing to associate herself with us and the other peace-loving nations of the world in covenants of justice and law and fair-dealing. We wish her only to accept a place of equality among the people of the world—the new world in which we now live—instead of a place of mastery. Neither do we presume to suggest to her any alterations or modification of her institutions.

Mr. Arthur Henderson, M. P., in "The National News," January 13th, 1918.

* * * We seek neither a military nor a financier's peace; we demand a people's peace. We look forward to industrial and commercial co-operation between the people of all countries, having for its object the satisfying of all the wants of common humanity. We are asked to throw over the policy of economic and commercial freedom because its fruits would be shared by the Germans in common with the other peoples of the world. Has it not occurred to the advocates of this policy of commercial isolation that the fruits of international security will be shared by the Germans in common with the other peoples of the world? Are we, therefore, to decline to strive for a lasting peace, based on justice and

righteousness and guaranteed by the common determination of all peoples, in order to deprive the Germans of those benefits which they will share? There can be no half measures in dealing with the present catastrophe. Either we must pursue to its logical conclusion a policy of domination, territorial, political and economic, or a policy aiming at world security involving the absolute recognition of freedom, equality and co-operation in all things between all the peoples of the world.

George Haven Putnam, President of the American Free Trade League, in "Common Sense," December 8th, 1917.

The League will oppose the plan laid down by the Entente Allies, before the United States entered the war, of making commercial war upon Germany.

George Haven Putnam, President of the American Free Trade League, in an address given at the Annual Dinner of the League, May 22d, 1917.

Our consideration is naturally to be given today more particularly to the influence that believers in freedom of trade on both sides of the Atlantic should endeavor to bring to bear on the settlement after this war. We may recall, as a text for our efforts, the saying of Kant, that "no treaty of peace is worthy of its name if contained therein are the hidden germs of a future war." Believing, as we do, that tariff barriers and the friction produced by selfish tariff policies, have been, and must continue to be, most pernicious causes for war, it remains for us to do what may be possible to emphasize this belief with the national representatives who will have in their hands the direction of the policy of the Peace Congress. History makes clear that nations have before them the alternative either of liberty of international trade, or of continual international frictions and conflicts. To demand consideration for a policy that shall represent the economic co-operation of peoples, not only because such co-operation constitutes the basis of international morality, but because it will constitute the best foundation for the maintenance of assured peace.

Lord Landsdowne in a letter to the "Daily Telegraph," November 29th, 1917.

Commercial war is less ghastly in its immediate results than the war of armed forces; but it would certainly be deplorable if after three or four years of sanguinary conflict in the field, a

conflict which has destroyed a great part of the wealth of the world and permanently crippled its resources, the Powers were to embark upon commercial hostilities certain to retard the economic recovery of all the nations involved.

Free Trade Stimulates Initiative.

Dr. Charles W. Eliot, writing on the lessons of the war in the New York Times, says: "The war has brought into high relief the accumulated wealth of Great Britain and the extraordinary variety and multiplicity of its financial, industrial and commercial resources. One legitimate inference from this marvelous strength of Great Britain is that Free Trade, which has been for many years the policy of Great Britain alone in all the world, is the policy most likely to make a manufacturing and commercial nation rich and powerful; partly because Free Trade best develops international commerce and so supports in the best way national banking and manufacturing, but also because Free Trade stimulates enterprise, invention and resourcefulness in the individual business man and encourages him to send his sons all over the world in search of trade or a salary, and prevents him from seeking in his own business an enfeebling protection and furtherance from the government. The war has also demonstrated to both capital and labor in the United States that eager foreign markets are highly desirable in addition to the home market, because they make all business broader, larger and steadier. It will be a great gain if it teaches all the manufacturing nations of the world not to build about their own people tariff walls, but to trust for success with each nation to its own industrial genius and peculiar resources and to freedom of trade."

Make Permanent Peace a Possibility.

Lord Henry Bentinck, M. P., writing in the London Daily News recently, said: "If the world could be assured that no portions of the undeveloped area of the globe, whether in Africa or Asia, would be treated as a close preserve by whichever power is or hopes to be in control of it, if Free Trade and equal opportunity for the investment of capital were assured, the peaceful influence of commerce would be a reality and not a mid-Victorian fiction; *the deep underlying causes of the prolongation of this war would be removed and the permanent peace of the world become a possibility.*"

Twenty-five cents will send the Free Trade Broadside to someone for a year. Individual subscriptions are welcome.

Economic Boycott

By Erving Winslow, a Vice-President for Connecticut

In these vociferous days, American parlousness in particular has wasted much breath, and scarce paper.

The conditions of the world flux are so new that the range of speculation as to the future has been wide and wild. Prophecy no longer has sanction or authority and, in the absence of historical precedent, it has been obvious often that assumptions made were presumptuous only, and that the fluent writer and speaker were adrift upon a sea of guesswork or that the light by which the helmsman was steering was but an ignis fatuus.

In discussing the question of an "economic boycott," a "punitive" discrimination by tariff regulation against our present enemies,—it is assumed of necessity however that they will be conquered so that our terms must be accepted and we, as Free Traders and faithful believers in the future adhesion of mankind to its principles and practice, can countenance no fixed and permanent barriers, to continue the spirit of warfare and to keep it alive, after the technical close of the contest. A state of things was postulated by the President, soon to be ameliorated by "natural influences," when, though in nominally peaceful relations, the ideal of those governments now arrayed against us should continue to be selfish and antagonistic, so that they could not be admitted to full "economic equality."

When we presage a temporary economic boycott we must however mean what we say and be resolved, in the state of things apprehended, to carry it out, for the time, consistently and firmly. It is not to be a mere threat. We have seen the statement made (with feminine casuistry) where the advantage of the threat was conceded somewhat unwillingly; that the threat was to be only such, and that however justified as a warning, when it came to the time for its fulfilment, no absolute solution could be given for any actual boycott. While we condemn a punitive fixture like that proposed in the Paris Conference, we can not proceed upon the principles which actuate the nursemaid who threatens her recalcitrant charges that, for their unrepented sin, the Bear will get them! The youngest potential statesman learns very soon to believe that there is no Bear and that if there were, he never would be allowed to bite. Declaration must be made with as much unity and decision as possible and a firm resolve to carry

it out that, in the lack of international spirit and procedure, peoples unreformed will remain still outlawed from such a movement as may lead on to the development among the nations of the ideal of a Federation, like that of the States of the Union, with the creation of currents flowing towards free exchanges similar to theirs, among the States of the world.

We are to suppose then a peace established through the surrender of the military forces of the Central Powers and submission by them to those terms, established now finally, to make the earth "safe for democracy"—and essential thereto, as is our faith,—to have it ultimately a free trade world.

The just outcry against the "Paris Conference" was based upon what was properly enough termed its "central policy" and though in some ways self-contradictory, its intention did seem clear on the whole to make the Allied countries permanently independent of the Central Powers. But from its proposals however we could take an assurance, for whatever scheme of differentiation that was to be adopted,—suggested in terms indeed by the proposals of the Conference, that protection against "dumping" and withdrawal of a "most favored nation" treatment should only remain operative for a "period of years." Now, how long this period should be and how to arrive at the consummation prognosticated by the President as certain to come to pass through "natural influences,"—is the practical question. In the first place, those "natural influences" should have free play and the most important of these is the recognition of them, after the fashion with which the President's fine idealism has been received in many other matters. The interests of the Allied nations themselves would begin to stir before long to demand a liberalizing policy and as the feeling of antagonism died away the advantages of free exchanges would be excogitated. Of course this growth must depend greatly upon the manifestation of a larger economic view than Germany has previously entertained. Until democracy has become with her a political reality, organized group interests would still continue to mould her fiscal policy. At first, since time alone could demonstrate her conversion and the possibility of future wars would remain a menace discrimination must be made against the comparatively short

list of materials necessary for national defence or natural sustenance. While the Paris Conference contemplated tariff discrimination against great classes: wholly manufactured goods; semi-manufactured goods; raw materials; foodstuffs, raw and manufactured; wines, spirits, beer, tobacco and other dutiable articles—there are few items in which the Allies were really handicapped by the fact that the enemy had obtained control of them, so that military operations and the people's sustenance were threatened. It has been said that these items were only six; dyes, spelter, magnetos, optical glasses, potash and sugar. The promotion of their production among the Allied nations and a limitation of competition from a former and potential (in the Baconian sense) enemy, by artificial means for a time might be a righteous duty.

Mr. Hobson (in "The New Protectionism") has suggested that there might be cases where private business or scientific enterprise had made some discovery, or opened up some trade, having a special political or military value: "Such cases where they can be shown to exist might be removed from the ordinary category of trade." They belong to that class of trades in Germany "aided and encouraged by the State, in part, for military consideration. So far as any State for aggressive purpose directs its 'national economy' in such a way as to endanger our supplies either of military requisites or of any necessity of life in the event of war, it is manifestly the duty of our State to take whatever means are necessary to meet such 'aggression.'" Such industries could be established and worked as public monopolies, a better defence than that of tariffs.

It is doubtful whether the possibility of "dumping" accumulated manufactures by the enemy government into other countries to cripple their trade revival, can be "whistled down the wind" so lightly as Mr. Hobson has done. Germany's plans have been laid with such far reaching ingenuity that in spite of the depletion of her industrial population it is easy to believe that considerable stocks of goods are held for this purpose and that their exchange for raw materials from colonies, no longer under her control, might, indirectly come to pass. While recovered prosperity in Germany is for the world's benefit, here is a legitimate sphere for study and consideration of what should be our permanent obligations.

The Paris Conference was held near-

ly two years ago. It is doubtful if its members would put its declaration forth today. Though the breach has widened between the opposite camps and there are stronger Tory and radical extremists, the reaction which grew so violent against its programme has in turn been qualified by the disclosure of that use likely to be made by Germany's putative interdependence with Russia, now realized to the full in the dismemberment of the crumbling Empire. This much can be said today, since Germany's great military successes have increased her pride and intensified the supreme consciousness whose roots have penetrated deeper than ever, the safety of the world, waiving separate interests, will require the wisest guardianship. There will be a sphere for very large statesmanship. The fanaticism of the doctrinaire and the greed of selfishness will be as Scylla and Charybdis. As the United States may have a leading part in the economic, as all other after-war adjustments it is fortunate indeed that our course must be guided largely by the counsel of our Tariff Commission, with the chairmanship of Prof. Taussig, an idealist Free Trader who, while enlisted under the banner of the ideal, is an opportunist in the best sense—such as is its most helpful standard bearer. There is reason to believe that this Board, whose possible advisory scope is so far reaching, has before it even now a consideration of means to divert a supply of raw materials to the devastated regions of Europe before the claims of the Central Empires are satisfied,—a most absolute requirement of justice,—punitive of necessity, not of intention!

ANNUAL MEETING.

(Continued)

The thanks of the League were unanimously extended to Mrs. Winifred B. Cossette, assistant and acting secretary, for her able and faithful handling of the affairs of the League.

A most enjoyable dinner followed the meeting. The speaker of the evening was Hon. William S. McNary, of the Massachusetts Waterways and Public Lands Commission, who, with a complete mastery of his subject, gave a most informing and interesting exposition of the War Time Development of the Port of Boston, and the unparalleled business that would be a result of following out the free port idea, as proven in Hamburg. The wonderful natural advantage of this port, its nearness to Europe, the necessity for a

drydock and for a warehouse for heavy freight, so unloading steamers may take on return freight instead of going to distant ports, was clearly shown.

Secretary's Report, Annual Meeting, April 30, 1918.

In the past year we have lost by resignation nine members of the League. By renewals we have gained six, and six new members; another of our Vice-Presidents for Massachusetts, Colonel Charles R. Codman, has become a contributing member, and one new member, Richard Mayer, of Boston, a sustaining member.

Very necessary economies have been adopted in the business of the office; a new form of dues bill was adopted to obviate return envelope and postage in the sending out of regular bills. With our impaired funds the purchase of envelopes for mailing the "Broadside" was deemed imprudent, so the November number was wrapped by hand, and the edition for February was sent without wrapper.

While present conditions are making heavy financial demands on salaried and small business people, it is encouraging to find the real friends of free trade are standing by this honorable organization with a zeal that argues well for future accomplishments.

Respectfully submitted,
JAMES MIDDLETON,

Secretary.

WINIFRED B. COSSETTE,
Acting Secretary.

Treasurer's Report.

Received from retiring treasurer,	
John Ritchie, Jan. 9.....	\$ 94.75
From dues and contributions of	
members	601.85
	<hr/> \$696.60

Rent, lighting, assistant's salary,	
telephone	\$114.34
Printing 2,000 copies of the Broad-	
side	72.50
Stamped envelopes and stamps..	11.80
Printing, letterheads, etc.	17.75
Sundry office expenses	16.28
	<hr/> \$232.60

Funds on hand	463.93
	<hr/> \$696.60

JAMES R. CARRET,
Treasurer.

If each article sold was plainly labelled with the natural price and the artificial price, separately stated, the people would make short work of the tariff.

Letters of Regret from President Putnam and Others

New York, April 10, 1918.
To the Members of the American Free Trade League.

It is a ground for very keen regret on my part that I am not able to be present at the annual meeting of the American Free Trade League.

As I have before explained, on the date of this meeting I am expecting to sail for England. Nothing but a duty that, if not more important, seemed to be more urgent, could have kept me from taking part in the work of this annual meeting.

I feel it to be of first importance that the activities of the League shall be maintained and extended. We Free Traders are maintaining that freedom of trade is an essential factor for securing and maintaining the peace of the world. We are emphasizing with the American people, and with the other peoples who are fighting to save the world from Prussian domination, that next to the destruction of militarism and imperialism based upon militarism, is important the destruction of the mediaeval theories of protectionism, which have through wearied generations constituted barriers between the nations, produced grievances that have resulted in wars, hampered the relations of people who should be neighbors and co-workers, and constituted a grievous interference with the productivity of labor and the most effective use of the resources of the world.

When this war comes to a close, the world will be seriously impoverished and will have requirement for every ounce of its resources in material and in labor. Any interference with the largest possible effectiveness of labor or of the supplies required as necessities of life must constitute a crime against humanity.

We hold further that protection is itself a form of war, an expression of antagonism between peoples. It has for its purpose the lessening of the resources and of the proceeds of the labor of peoples outside the protected community.

We point out that war constitutes itself an extreme example of protection.

The world is not suffering from the direct devastation of the campaigns, but from the tremendous interference with economic conditions, with production and distribution. War constitutes a form of protection, and the miseries of the world, large portions of which are

now in a state of starvation, are due in great part to the action of war in making protection barriers between the countries of the world.

We hold that when this war comes to a close, America should take part in a League of English speaking people for the maintenance of the peace of the world. It is evident that America's part in such a league will be very much furthered if our people can be persuaded to put to one side a protective policy which, while mediaeval in character, dates back in substance only to 1862.

The immediate work of our League is to emphasize upon our people who believe in peace and who are ready to fight for peace, the importance of Free Trade in bringing about and in maintaining peace.

The membership of the League ought to be largely increased, and for this purpose we need in addition to funds in the treasury, active and effective service on the part of some public-spirited citizen, who will carry on the work belonging to the office of the secretary. I hope very much that the services of such a citizen can be secured. I want at the same time to express my cordial appreciation of the unselfish and valuable assistance that has been given in this time of special need by Mrs. Cossette.

I shall not fail, while on the other side of the Atlantic, to do what may be practicable to strengthen the relations of our Free Trade League with the Cobden Club of England and of the Ligue du Libre Echange in Paris.

It is evident from the letters that come to me from the two secretaries that they are fully appreciative of the importance of the work that the American League has before it.

I shall expect on my return to continue my efforts to secure by correspondence the acceptance of membership on the part of the instructors of political economy throughout the country, and of leaders of public opinion outside of the institutions. I hope that similar work can be put in train, however, by the new secretary.

I am, with cordial regards to my associates and renewed regret that I am not with you at this time,

Yours very truly,

GEO. HAVEN PUTNAM.

A tariff is war in potency.—John E. Hubbell.

Federal Reserve Board,
Washington, April 13, 1918.

Gentlemen:

I have your kind note, inviting me to attend the dinner of the American Free Trade League on Tuesday, April 30th. I am very sorry to write that I shall be in the West on that date, and therefore cannot be with you.

It would have given me great pleasure to have seen the members of the club. I know they are all working day and night to help the government, and it would have been an inspiration to me to have met them.

With again my deepest regrets, believe me,

Very sincerely yours,

C. S. HAMLIN.

Department of Labor,
Office of Asst. Secretary,
Washington, April 13, 1918.

To Members of the American Free Trade League.

I regret very much that I cannot accept your invitation to attend the dinner of the American Free Trade League on the 30th and address the members on that occasion. It is impossible, however, for me at this time to make any engagements for leaving Washington. When I tell you that the vast amount of work that has fallen upon this department without any increase in its directing force made it impossible for me to comply with the request of the Treasury Department to accept an itinerary for the Liberty Loan drive, you will realize the necessity for my declining your kind invitation.

If it were possible for me to be present at your dinner, I should wish to emphasize the fact that we are at this moment engaged in a great war against Protectionism. There is no difference in principle between the efforts of Protectionists to fasten upon the world the Prussianistic system and the efforts of the German Kaiser to do the same thing. There is no half-way house between a narrow, selfish, domineering nationalism and a world-wide internationalism. The Prussians are fighting for the former. Free Trade is the only answer to it.

With cordial good wishes for the Free Trade League, and congratulations upon its declared policy of keeping the Free Trade ideal always in view while marching toward it step by step—the only way in which anything worth while in this world ever has been accomplished and probably ever will be, I am,

Sincerely yours,

LOUIS F. POST.

CITY BY ITSELF MAY
ARISE ON HARBOR.

For Boston and New England the free port idea is a farsighted step of great significance, the commission believes, and will be second only to the construction of the \$20,000,000 embarkation terminal by the War Department in South Boston as a means of booming the port. The free port will be a veritable city by itself on the waterfront, where tariff laws do not operate and where goods brought in from foreign ports can be assembled, resorted, made over or changed by manufacturers without payment of duty, and transshipped for export. It will also be a place where foreign buyers and producers can exhibit or examine wares untroubled by the vexations of customs house inspectors.

Under the plans which the waterways commission contemplates making, the state flats, when converted into a free port zone, will contain, in addition to all the latest mechanical devices for docking, loading and storing, a great center of manufacturing for export demands. Raw materials can come to this zone without payment of duties, be converted by skilled labor into wares suited for foreign needs, and shipped out to foreign countries on the same ships which brought the raw materials here.

The commission, in its study of the free port idea, believes that if its plans are eventually carried through, Boston will cease to be a one-way port and that, as a natural result, its commerce will grow in the same amazing proportions that free port zones have caused the shipping business to increase in foreign free ports.—Boston Herald, April 13, 1918.

We stand for no compromise or expediency, but for great principles. We stand for: No taxation for the benefit of a class; no mixing of government with private business; the prosperity of our nation, not as antagonistic to other nations, but in harmony with them; a recognized community of international interests which makes for world-wide peace and brotherhood. All this is included in one idea; and the name of that idea let us put upon our flag—Free Trade.—George S. Merriam, Springfield, Mass.

A protective tariff leads either to increased cost or inferiority of production—usually both.

OF INTEREST TO YOU.

Members should read the treasurer's report carefully and see their money is being prudently administered. The excess profits of one year from any one of the protected industries is sufficient to subsidize an active corps of propagandists who shall see to it that the graft is not disturbed. A much less amount will help us to make a determined stand for free trade. We have many requests for literature on the subject, and many libraries in the country gladly receive the Free Trade Broadside. Anything you can give to make this part of our educational work self-sustaining will be a great help. A small fund is needed to keep the libraries supplied.

We have always found it necessary to send out reminders to the members in June; people who are very busy often forget what is to them a small matter of a modest dues bill—while to the League it means life or death, whether we shall continue valiantly, as in the past, to combat the iniquity of protection, or seem to acquiesce in it. On account of the increase in postage these reminders were sent in the notice of the annual meeting to all members, giving them an opportunity, if so desired, to help in different ways, as suggested, according to their ability and interest. We thank most heartily those who responded quickly, irrespective of the fact that the nominal dues had been already paid by them, and we appreciate the kindly feeling of those who would gladly help if present enormous demands did not prevent. It is good to know where your heart lies in our cause.

W. B. C.

THE SALUTATION OF THE DAWN.

Listen to the Salutation of the Dawn!
Look to this Day!
For it is Life, the very Life of Life.

In its brief course lie all the
Varieties and Realities of your existence:
The Bliss of Growth,
The Glory of Action,
The Splendor of Beauty.
For yesterday is but a dream
And tomorrow only a vision—
But today well lived makes
Every yesterday a dream of happiness,
And every tomorrow a vision of hope!

Look well, therefore, to this Day:
Such is the Salutation of the Dawn.

Tariffs have a displacing but no creative power. They make production costly and distribution difficult.

Membership dues date from the beginning of January.

PROTESTS MISUSE OF
WORD.

Although I am a clergyman I am deeply interested in farmers and concerned about the conditions by which they are held down. * * * I have often wished our editors would use some other word than "protection" for the legislation manufacturers have secured, whereby they shut out goods made abroad and then put up the prices of what they make themselves. "Protection" is a kindly word, and means necessary help; but protection in the sense that it is used in tariff reports no more bears that worthy quality than robbing a man deserves the name of relieving him. I have recently been impressed that there should be some way of expelling from our House of Commons men who go there not so much to represent the constituencies from which they are sent, as to get better prices for their own make of goods. When I see a plow maker arguing in favor of shutting out American implements from our Canadian farmers to ensure himself high prices, I feel that he ought to be expelled from the House. It is contrary to all right that a man should be on the jury in his own case.—Mail Bag, Grain Growers' Guide.

STATEMENT OF THE OWNERSHIP,
MANAGEMENT, CIRCULATION, ETC.,
REQUIRED BY THE ACT OF CON-
GRESS OF AUG. 24, 1912.

This is also a true copy of what should have appeared in The Free Trade Broadside, November, 1917.

Of Free Trade Broadside, published quarterly at Boston, Mass., April 1, 1918.

State of Massachusetts, County of Suffolk, ss.

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Edmund J. Burke, who, having been duly sworn according to law, deposes and says that he is the chairman of publishing committee of the Free Trade Broadside, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

Publisher, American Free Trade League, 120 Boylston street, Boston, Mass.

Editor, Executive Committee, John S. Codman, chairman.

Owners, American Free Trade League, president, Geo. H. Putnam, 2 W. 45th st., New York City; James R. Carret, treasurer, 79 Milk street, Boston; James Middleton, secretary, 120 Boylston street, Boston, Mass.

Known bondholders, mortgagees and other security holders—None.

EDMUND J. BURKE, Exec. Com.
Sworn to and subscribed before me this 18th day of March, 1918.

HENRY D. NUNN, Notary Public.

Editorial

Welcome All who Will Co-operate Against Protectionism

The American Free Trade League stands today, as it stood at the time of its organization in 1866, under the direction of its first president, David A. Wells, for freedom of trade between nations.

We hold that such freedom is essential on economic grounds, as a matter of sound politics, and for the purpose of keeping the peoples of the nations in friendly relations with one another.

The history of the world's commerce makes clear that every hindrance or barrier that is permitted to stand in the way of the free exchange of goods constitutes an addition to the price finally paid for those goods by the consumer and tends to lessen the margin of profit for the producer. The ideal condition of the world's trade would be one in which each country produced the materials or articles for which it was best fitted through natural conditions and the temperament of its people, and the goods so produced were placed at the disposal of all consumers throughout the world with no unnecessary addition to their cost. The consumer would pay for such goods, the cost of production, plus such profit to the producer as should be an incentive to further production; the cost of distribution, plus such profit to the distributor as should keep in effective condition the channels of distribution; and the cost to the final seller, to which would be added such profit as would preserve an active and satisfactory selling machinery.

We believe that the abolition of tariff barriers is important on political grounds because it would remove causes of friction and grievances which have been frequent causes of war and which tend to keep peoples out of sympathy with one another, or to bring them into sharper antagonism with one another.

We hold that it is essential for the intelligent action of every citizen who pays taxes that he shall have knowledge of the precise amount paid, and that he shall have the assurance that the full amount of the tax collected, less only the expense of collection, shall be available for the needs of the government. If the tax is hidden in the increased

cost of articles needed for daily consumption, the citizen realizes in a general way that there are burdens upon his livelihood, but he does not have the direct knowledge in regard to the demands made upon him on the part of the national treasury.

In the absence of such direct knowledge he has a smaller interest in the wisdom, or the lack of wisdom, with which the national finances are managed. If a report that the government is using funds extravagantly, or otherwise unwisely, is connected with a substantial advance in the amount the citizen is called upon to pay for direct taxes, he is interested in taking such action as may be possible through his vote and his personal influence to call the administration to account. The rulers are his representatives, and if the citizen is not satisfied with their action, it is his privilege and his duty to see to it that the untrustworthy officials are replaced by men who can be trusted to administer wisely the resources of the nation. *The safety of representative government depends upon the watchfulness of the citizen*, and the citizen whose contributions to the government are made in direct taxes is much more likely to secure the knowledge upon which his own intelligent action can and will be based.

The League holds further that the function of government is to maintain justice and order, to secure the equitable and impartial administration of law, and to fulfil any international obligations that have been assumed or that ought to be assumed.

We hold that it is very difficult, and in most cases impossible, for the government to interfere in business conditions in such manner as to exert its influence and power equitably for the interests of all citizens concerned. The history of the tariff is a history of inequity. Tariff provisions have too frequently been put into shape at the instance of those who were to be benefited and without any representation of the interests of the great mass of the community which is called upon to make payments for the advantage of the few. Such a condition is demoralizing to the legislators upon whom comes a

pressure of special business interests seeking the backing of the government, and whose attention, which ought to be given to national interests, is absorbed in details affecting the commercial interests of favored groups. The nation is fortunate if, under the pressure that is brought to bear from the protected interests, the legislators are able to maintain a fair measure of integrity of purpose and of action.

The system is demoralizing to business because it causes business conditions to be dependent upon the result of elections and it brings business into political activities with which it has no legitimate concern.

While the Free Trade League holds these views as to the importance of securing absolute freedom of exchange, it is prepared to utilize its influence in behalf of any measures which may constitute an advance towards such freedom. It will welcome the co-operation in the contest against a protective system of any citizens who are ready to do work in behalf of the lessening of tariff burdens. We will accept as allies for the things next to be done the men who believe in a tariff for revenue only.

The League, in its demand for freedom of trade, is international in its purpose and its character. It is working in close co-operation and full harmony with the Cobden Club of Great Britain and La Ligue de Libre Echange of Paris.

The League calls upon all citizens who have realized the demoralizing influences that arise from protective systems to give co-operation in its work, by accepting membership, by securing members, and by furthering circulation of *The Broadside*.

GEORGE HAVEN PUTNAM.

New York, March 27, 1918.

As Others See Us.

In the latest income tax returns in the United States, ten men confessed to an income of over five million dollars a year. Here are their names: John D. Rockefeller, H. C. Frick, Henry Ford, Charles M. Schwab, Andrew Carnegie, George F. Baker, William Rockefeller, Edward S. Harkness, J. Ogden Armour and Pierre S. DuPont. What a living monument to Protectionism and monopoly.—*The Grain Growers' Guide*, Canada.

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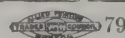
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Free Trade Broadside

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Founded by
WILLIAM LLOYD GARRISON
1838-1909

Edited by
The Executive Committee

Object—The Freedom of Trade and Communication from all Restrictions.

Membership.—One Dollar a Year.
Free Trade Broadside, 25c. per year.

Entered as Second-class matter at the Postoffice at Boston, Mass., Sept. 25, 1916.

"FAIR PLAY"

Ask your friend to join the League and remember that thy friend hath a friend, also.

In our Organization should be enrolled every soul who loves justice and who is willing to do even an infinitesimal part in their day and generation to make justice invincible against the Dark Patrioteering Forces that are seemingly having their innings without let or hindrance. Insignificant in numbers they win by never allowing division or relaxation of their implacable tyranny, founded on Special Privilege. A bewildered people should join *en masse* to form a vast Order of Fair Play in the world. Real sportsmanship, real generosity has not perished from the earth, Falstaff to the contrary notwithstanding! It burns more deeply even now in the hearts of men, though the darkness comprehendeth it not. Add your taper—the aggregation will make an illumination that will circle the sick world that now wrings helpless hands in isolation. The present and the future looks to you. Come!! W. B. Cossette.

Henry Ford: "I think that the tariff should be abolished entirely. I believe in free trade all over the world. If we had it things would adjust themselves, and we would all be better off."

A genuine Free Trader in the Senate will help considerably.

Twenty-five cents will send the Free Trade Broadside to someone for a year. Individual subscriptions are welcome.

Right principles are always susceptible of application.—Garrison.

Universal Military Training and High Protective Tariff the Goal

Mr. George Haven Putnam, President,
American Free Trade League,
Boston, Mass.

Dear Sir:

I am returning herewith copy of "Free Trade Broadside," which some one has taken the pains to send me.

I have no use for any publication advocating free trade or near free trade, being and always having been a strong protectionist, as every true American should be, particularly in these times and during the period after the war, when all the resources of this country should be conserved by every means and no free trade or any other un-American policy considered for a moment.

Any influence that I may have you may be sure will be thrown entirely the other way, and any such propaganda as supported by the publication enclosed should, surely will be, eventually killed. The energies of the society of which you are president might better be devoted to counteracting the German propaganda which has raised its filthy head in this country and which is, thank God, being stamped out by the U. S. Secret Service and the activities of loyal citizens generally.

Those who are not blinded by false theories, teachings and partisanship, can see by reading the history of this country that it owes its greatness and development principally to the protective tariff, and that any deviation from protective principles has *invariably* been followed by economic depression and disaster.

Every energy and influence should be exerted by all classes and societies toward the *winning of this war* and toward the support of policies which are constructive and not destructive.

(Continued on page 2.)

"Every Custom House Erected Will Be a Fortress"

By Erving Winslow

Whatever diplomatic methods may be adopted, whatever arrangements of armies and navies may be established, every custom house erected will be a fortress, bristling with deadly artillery, outposts for defense and attack, with a corp of officials like that sowed by Agenor's son to grow up into a harvest of warriors, leaders for future armies recruited from their beneficiaries and dependents . . . those whose

hearts have long burned within them concerning this great matter, when at last they speak with their tongue, can hardly moderate the passionate expression of their prayer that some voices, like those of the giants of old, may be roused to make themselves heard by the great and willing groups, which exist as we know in the nations of the world, effectively to preach the true Gospel of peace and good will.

A Few Truths for the Chameleon Protectionists to Consider

By Edmund J. Burke

A few years ago high tariff advocates were denouncing a tariff for revenue only as "free trade" and as the worst kind of tariff that could be devised and yet now no less a person than Thomas O. Marvin, secretary of the Home Market Club, has recently appeared before the committee on Ways and Means in Washington, and argued for a revenue tariff.

In his statement Mr. Marvin has made much use of the very misleading figures obtained by average rates on *all* imports to indicate percentages of duty under different tariff acts, by which it is made to appear that the rates under the Payne-Aldrich law were lower than under any other in the history of the country except that of 1861 and the present law, and under the present law lower than in 1861. This method of averaging is deceiving because it takes no account of the character of articles admitted free and those on which high duties are imposed.

It is a well known fact that all republican tariffs were drawn with a view to enhancing the profits of a few privileged interests at the expense of the people; so that for every dollar collected by the Treasury the people were forced to pay about five dollars to the same privileged interests; so that by a cunning system of mixed specific and ad valorem tax rates cheaper grades of articles used by the mass of the people paid duties sometimes as high as 200 per cent. and always higher duties than those imposed on more expensive articles. For gouging the people and enhancing the profits of the privileged few the Payne-Aldrich law was the worst of all.

Mr. Marvin quotes figures to show that Great Britain collected last year more revenue from customs duties than the United States. But he does not call attention to the fact that a large part of these duties in England come from tobacco products and wine that to draw a proper comparison therefore a large part of our internal revenue receipts should be added to the figures for the United States. According to his own statement Great Britain imposes practically all her customs duties on articles such as tobacco, sugar, coffee, cocoa, etc., which are not and cannot be pro-

duced at home, and a few luxuries. The result is that practically 100 per cent. is collected into the treasury. He quotes Jefferson, Madison and Wilson in his attempt to justify a high tariff—these specially selected citations are as misleading as his other statements.

The high tariff advocates have run through the whole gamut of excuses (they do not deserve to be dignified by the name of arguments) for their pet theory. First it was to protect "infant" industries, then to keep up the wages of the working man, then one claim for the McKinley act of 1889 was to *reduce* revenue (a single democratic administration having left an overflowing treasury) and now, shades of Jefferson and Madison, it is to increase revenue!

These chameleon shifts on the part of protectionists remind one of the Prussian militarist who having preached the gospel of force and frightfulness for a generation tries to excuse it by charging his opponents with the responsibility for it. Does he use gas or bomb an open town he dishonestly says the English and French did it first, does he sink a hospital ship he asserts that it was being used to carry aviators. If protectionist leaders think that the whole people should be heavily taxed by high tariffs and the privileged few largely absolved from taxation by abolition or reduction of the income tax, excess profits tax, war profits tax, etc., let them come out and say so plainly: because that is what their statements would seem to imply and certainly that is what carrying out his suggestions would result in.

PROTECTION THE GOAL.

(Concluded)

Fortunately for the future, our glorious American soldier boys can be trusted to vote right when they return after they have punished the Huns. Men will be placed in power who will carry out necessary measures, like universal military training, protective tariff, no foreign language newspapers nor teaching of German, and non-intercourse with anything German, etc., etc., after the war.

Theories, in order to win the support of practical thinkers, must be supported by facts, and facts always have been and always will be against the free trade fallacy. No arguments are needed to refute this fallacy. It is only necessary to point to events and facts which are historical.

Free trade is like the universal disarmament idea, a beautiful theory if you could only alter human nature, and this, as far as I have been able to observe, shows no signs of change.

Yours very truly,

FREDERIC S. WHITHINGTON.

402-404 Krafts Bldg.,
Des Moines, Iowa.

P. S.—The following are a few of the facts which no argument can controvert:

GREATER IMPORTS LESSER REVENUE IMPORTS

33 last months under Payne
(Republican) Tariff ..\$4,677,817.286
33 first months under Under-
wood (Democratic) Tar-
iff 5,318,282.073

CUSTOMS DUTIES COLLECTED

33 last months under Payne
(Republican) Tariff ..\$868,111.075
33 first months under Under-
wood (Democratic) Tar-
iff 629,756.431

An increase of \$640,464,787 in imports in spite of 23 months of war. A loss of revenue amounting to \$238,354,644.

We are glad to note that our "high tariff" fellow citizens are quoting "facts and figures" as above. Only to the mind of the high tariff advocate would it be esteemed a calamity that the *people* (not privileged interests) of the United States had been able to get over \$640,000,000 more in values for \$238,000,000 less expense.

Of course we all recognize the hackneyed claim in the fourth paragraph of the above letter in which the "protective tariff" is responsible for the fertility, great mineral wealth, natural resources, and other natural blessings of the U. S. as well as intelligence and activity of its citizens. E. J. BURKE.

FROM UNITED STATES TARIFF COMMISSION

Sec'y American Free Trade League,
Boston, Mass.

Dear Sir:

The Tariff Commission is desirous of communicating directly with individual members of your Association having personal knowledge of unfair competition through the selling in the United

States of articles of foreign origin at less than the fair market value when sold for home consumption in the country of origin.

The Commission will be greatly obliged if you will forward to this office the names, addresses, and business of such members of your Association as are particularly well prepared to furnish information bearing on such competition.

Section 704 of the Act of Congress, approved September 6, 1916 vests in the Tariff Commission the power to investigate the conditions, cause and effects relating to competition of foreign industries with those of the United States with special reference to unfair competition or the dumping of articles of foreign manufacture into this country at prices substantially less than the actual value or wholesale price in the principal markets of the country of their production. A prompt reply will be appreciated.

Very truly yours,
THOMAS WALKER PAGE,
Vice-Chairman.

INEFFICIENCY IN ONE PROTECTED INDUSTRY AT CRITICAL TIME.

It has been said that machinery is but the extension of the human arm and brain and to get the best results from this extension organization must extend to every element connected or used in its operation. Bearing these fundamental truths in mind, said an official of Local 339, International Association of Machinists, our Uncle Sam through the War Labor Board has started a thorough and comprehensive investigation of all the elements essential to the production of war necessities.

This labor board is disclosing some startling weaknesses in past methods. 1. It found a market glutted with mechanical misfits owing to lack of basic knowledge of their trades. 2. It has also found shops and factories filled with disgruntled and dissatisfied men and women caused by methods in vogue, not for the purpose of reaching the highest pinnacle of efficiency and production, but seemingly for the purpose of furnishing economic power for a form of feudalism little realized or understood by many of our best citizens, and this method of production seemed successful until production became the real issue, and then many former standards and methods were found *passé* or obsolete.—*The Labor News*, Worcester, Mass.

Free Ports as a National Policy

From Unanimous Report of Committee Appointed by San Francisco Chamber of Commerce, given Feb. 28, 1918.

The question of establishing free ports in the United States, as a new national policy, has been raised in Congress, and to Hon. William Kent, a member of the United States Tariff Commission, has been assigned the duty of collecting and preparing data on the subject. Free ports, or free zones in portions of harbors, have long existed in Europe and Asia. The report of the sub-committee of Foreign Trade of the San Francisco Chamber of Commerce, given February, 1918, says: The rapid and substantial growth of Free Ports operated by other nations, whose business consists mainly in transshipment and exportation furnish convincing data in favor of such a national move. When we realize that Hamburg in 1913 had forged ahead until its foreign trade surpassed London by One Hundred Million Dollars and far exceeded Liverpool in imports, notwithstanding the fact that England is a free trading country; that Hamburg's total foreign commerce was only Six Million Dollars under that of New York, and that Hong Kong surpassed New York in clearing foreign trade tonnage several years before the war, Singapore advancing as a collecting and distributing center, and Copenhagen winning the trade of the Baltic, it becomes apparent that the Free Port is not a mere theory, but a practical producer of prosperity. . . . Industrial and commercial development are dependent upon transportation. . . . Inadequate harbor facilities poorly correlated with railroad transportation are prime contributors to the high cost of living, as slow and expensive circulation of supplies inevitably add to their cost. It is obvious that the more hands through which goods pass from producer to consumer, the more the public must pay. The war has made our people appreciate more than ever before that we cannot claim or hold commercial supremacy, if we are inefficient on the sea.

What is meant by a Free Port? It does not mean freedom from harbor or port charges, such as tolls or wharfage on cargoes, dockage on ships, pilotage, towage, etc. Briefly it means freedom from customs control. . . . Here the imported merchandise is landed, and when the imports pass through the land

or water gates of the inclosure into the country elsewhere, then at that time and at the gate, theoretically, the duties incident to the collection of the tariff dues begin and all the complicated rules and regulations of the customs service first go into operation. If the imports are not taken for domestic consumption, they may be re-exported, whether in the original packages or otherwise, without payment of tariff dues or interference by customs officials. The same is true of foreign raw materials landed and worked up into manufactures inside the free port and designed for re-export. . . . Free Ports will be the means of saving interest on large sums of money by precluding the necessity of tying up funds for Customs duties whilst good are held in warehouses. . . . Free Ports accord facilities for unloading goods which may be stored, packed, mixed, assembled, manipulated and even manufactured within the Free Zone, with the greatest possible freedom. Manufacturers are accorded the privilege of exhibiting and demonstrating their goods, grading and altering the same for domestic or export use. Buyers can examine, test and compare the commodities of the world before making purchases.

At the opening of the Civil War American ships were carrying 70 per cent. of our exports and 65 per cent. of our imports. At the opening of the world war in August, 1914, Great Britain, Germany, France, Italy, Japan, Austria-Hungary, Russia and Belgium controlled 72 per cent. of the world's ocean carrying capacity, and although our foreign trade exports and imports combined amounted to more than one-tenth of the world's business, our merchant marine was capable of transporting only nine per cent. of it.

The report of the sub-committee on customs matters give concrete examples of obstacles to foreign trade which is imposed by customs duties, and shows the saving in time and expense to vessels in the free port, as follows:—Delays due to customs boarding officers would be obviated. Prompt docking and uninterrupted discharge of cargo. Omitting necessity of giving heavy bonds to customs, obligating steamship agents to pay any loss of duty by fire, theft, casualty, etc., and the consequent

delay while these matters are adjusted with the customs. Not being required to make application to customs, obtain permit and pay Inspector's services when it was desirable or necessary to work early or late hours, or on Sundays and holidays. Bonded and foreign cargo laden or unladen at will. Vessel's discharge not stopped because of some error or delay in customs papers, which at times, besides the cost of delay, has entailed fines to vessels ranging from \$100 to \$5000. Not being required to keep drawback goods separate from other cargo and give the customs officials six official hours notice before lading the same. No further holding of teams on the dock until customs inspector is able to check all bonded goods teams may have, before loading on vessel, or unladen bonded goods teams may have, for export vessel, bonded warehouse or appraiser's store;—this checking would be done outside free port.

Once goods were placed on the dock, either from or for the vessel, no customs delay could occur, thus securing more prompt clearing of docks. Unjust fines are imposed in connection with the customs laws. A few items covering the record for one year in San Francisco is quoted: Vessel fined for failure to produce duplicate bill of health, maximum fine, \$5000. Area for steerage passengers not posted, \$340. An additional fine against the master of \$100. Failure to include certain items on the outward manifest of vessel, \$500. Discharge of foreign merchandise without authority in absence of inspector, fine, treble the value of merchandise and forfeiture of the vessel. In this case the master had gone ashore, and the barge man and the mate, who were unfamiliar with the customs regulations, agreed that the barge could receive cargo in the stream, remaining alongside vessel until next morning. But later in the day as it appeared a storm was coming up, the barge man moved the barge to the dock. In view of these circumstances, the fines were mitigated to a charge against the vessel of \$700 and against the barge owner \$200. These were paid, with the attorneys' costs and there was also the loss of time in preparing and presenting defense, etc. Failure to make entry and enter merchandise at the Customs house, \$1800. Failure to enter within twenty-four hours, \$100. Bonds are now required to be given for residue cargo which is to be discharged at following foreign ports and in order

to cancel said bonds a lading certificate or other evidence is required from abroad. This is a heavy obligation and it is sometimes difficult for steamship owners to obtain the necessary certificates to cancel said bonds. Frequently fines are assessed for breaking the Customs seals, and for error in, or for not filing, complete store list of vessel. These fines are sometimes mitigated and sometimes remitted. But in such cases the offense has been trivial, or there were extenuating circumstances. Nevertheless, discharge of vessel has been stopped, master or owner has had to attend at the Customs house and expense has been incurred in defending the charge. The report truly says: *"Our people only faintly apprehend the degree to which our foreign commerce is dominated by Customs control. Every move made by vessel or cargo, master or importer, respecting foreign goods must first have sanction of customs."*

The report claims all interests will benefit by the Free Port. It is self-evident that ship owners and charterers would gain immensely and the adoption would tend to build up a strong, self-sustaining merchant fleet. From the standpoint of harbor administration if the customs toll gates were for the time eliminated business would move faster . . . "many times consignees are unfair in a practice of making the customs house an excuse for keeping cargoes on the wharf longer than they should be kept and freight congestion is alleged to be due to inadequate wharf arrangements, when in fact, it is frequently a case of juggling in order to secure free storage on the piers. It means much to the port to have this congestion reduced to the lowest terms. It is a very serious and costly detriment to a port to have the wharves piled up with goods because real and frequently pretended, customs house requirements compel it. . . . the burden is on the advocates of a free port policy to show that present customs arrangements operate on foreign trade as a handicap of really serious proportions, that they not only increase unduly the operative cost of the foreign trade we now have, but also in all likelihood prevent new trade coming or otherwise hinder its growth, or give rival ports, without these hindrances, just that much advantage in the contest. . . . A large shipment of refrigerated egg meat in tins arrived on one of our Oriental liners some time ago. The goods could not be landed until

arrangements had been completed to haul at once to a bonded refrigerated warehouse. But there was no wholesale market at the place of shipment and the question of value required telegrams, cables and much discussion with the Customs, and caused heavy expense because of delay to vessel, of overtime charges at vessel and at warehouse charged by draymen, stevedores, ship's clerks, customs inspectors, weighers and customs' storekeeper. In a similar New York case, the importer, to keep the vessel moving, took a chance on his invoice value, and had to pay some thirty thousand dollars in fines. In addition to the rules designed to insure collection of the duty, the customs is also charged with the enforcement of certain other complicated laws, such as the Chinese Exclusion Act, the Pure Food Law, the laws under the Bureau of Animal Industry, the Copyright Law, etc. When damaged goods arrive they must be held on the wharf until the customs adjust with the importer. Frequently marks are obliterated. Sometimes the condition is such that it is impossible to get a count of the damaged portion. Consequently there is apt to be a dispute involving the importer, vessel and customs. The importer is not permitted to recondition the goods, because the identity would be lost or it would be impossible to keep such a check that proper duties would be paid. In many cases it is cheaper to accept the only method provided by customs laws and abandon the goods, provided that the portion damaged is more than 10 per cent of the shipment. But the damage must be discovered and the goods abandoned within ten days after making entry!

The Liberator, Auckland, N. Z.: "A large number of people in this country have believed that a protective tariff is beneficial to the laboring man. Competing goods being excluded from the country, higher prices can be charged for domestic manufactures, thereby increasing profits and wages. But if wages, at first, are higher than in other occupations, there immediately begins a flow of idle or poorly paid men to these places—continuing until wages have fallen to the common level and rents have become abnormal.

It is beyond the wit of man to draw up a tariff which will protect the whole world ranges of industry without causing all sorts of anomalies and inequalities.—Prof. William Smart, Glasgow, Scotland.

FREE TRADE HELPS BRITISH MANUFACTURERS

William Anderson, Glasgow, Cotton and Wool Manufacturer.—“We exploit the whole world for raw material and lay the whole world under tribute for food stuffs. We are absolutely free from the handicap of protection in any shape, form or fashion. Our machinery is laid down, our factory buildings are erected at a less cost than any other country. We never make anything, we can buy cheaper. . . I see no result of the restriction of free imports than loss and ruin, and I am not yet tired of carrying on a profitable business.”

Geo. Wolstenholm & Sons, Sheffield, Cutlery Manufacturers.—“This company is able to charge low prices for the quality of goods which they supply because they can purchase their raw material from the cheapest market in the world, wherein no tariff impost makes such material dear.

William Smale, Macclesfield, Silk Manufacturer.—“I am a free trader because under the system of free trade we have cheap food and raw material, etc., which enables to manufacture cheaper than our foreign competitors and thus compete successfully in neutral markets.”

John Leckie & Co., London, Saddlery Works.—“The reason why France, Germany and United States cannot compete against us on level terms is that those countries are so handicapped in the purchase of their materials by import duties.”

F. Scarf, Bromford Iron Works.—“I am a free trader because buying freely abroad, I can sell freely abroad—the one stream creates the other. I fear the tariff because I should be at the mercy of legislation, and should be forced to take a hand in political bargaining and intrigue.”

THE INCIDENCE OF A TAX

The increase of a cent in postage rate on picture cards, which were the most profitable mail matter carried by the Government, has decreased the postal revenue of this class of matter by 65 per. cent. One manufacturing firm that under the old postage rate of 1 cent sold 75,000,000 cards a year, giving the Government a possible \$750,000 revenue is now selling only 15,000,000 a year, making the loss to the Government in a year \$450,000.

Another Conflict Sooner or Later

By E. N. Vallandigham

Protectionists are making ready to turn the situation, economic, political, international, racial, military, after the world war, to their own advantage. They have been warning the American people that we must protect ourselves against something that is to come with peace. That something is the “cheap goods” that will be forced upon us from abroad to the ruin of our industries. When the physical and military war is over, although we shall cease to have enemies upon the field of battle, upon the ocean and in the air, we shall, according to the view of the protectionists, cease to have friends anywhere on earth. Not only our present enemies in war, but our allies in the conflict, and the few remaining neutrals will all become our commercial and industrial enemies, and all the old trade jealousies with their accompanying international hatreds and suspicions will be more intense than ever. In other words the military peace will bring on a trade war which in turn will make inevitable sooner or later another conflict of universal slaughter upon land and sea.

In order to establish more firmly than ever the vicious system of protection with its inevitable accompaniments of international suspicion, hatred and jealousy and espionage, the protectionists mean to take advantage of the bitterness excited against our present enemies in arms. If the Allies of the Entente decide that the terms that they hope to exact of Germany can be best enforced by means of discriminating tariffs or a boycott upon German goods, the protectionists will do their best to prolong such discriminations or such boycotts in the interest of our protected industries. At the same time they will insist that whatever arrangement is made with our allies as to trade relations shall guarantee the protected industries against cheap goods from the allies themselves. A friend is just as dangerous and untrustworthy as an enemy from the protectionist point of view.

What the protectionist would like to see is the perpetuation of what they believe to be our industrial and commercial advantages due to the accident of the war, and along with this they would like to have whatever they hope may be won from increased tariff taxation levied against all active producing nations. Their ideal is exactly the vicious

policy of the Teutonic coalition, the trade domination of the world, something that can be won and kept only by means of military domination or the effective threat of such domination embodied in overwhelming military and naval force. They hold the childish belief that we can export without importing, or if not exactly this supreme fallacy that we can export our own manufactured goods and take in return only such raw materials and such manufactured articles as we can not produce, and they are ready to impose upon all the American people not only huge public taxes to maintain a vast military and naval establishment as a threat to troublesome trade rivals, but even greater private taxes embodied in the enhanced price of tariff protected home manufactures.

When this war is over we shall have a vast interest-bearing debt, and the consequent necessity of raising huge sums from taxation. We shall need further revenue to carry out public works neglected during the period of war. We shall be still in possession of a huge gold surplus, and in consequence prices with us will be so high that our industrial cost of production will be greater than ever before, so that it will be extremely difficult for us to sell in the world-markets. We shall have an enormous problem of economic and industrial adjustment which can not be helped, but must inevitably be hindered by the injection of a further complication in the form of artificial trade relations due to increased tariff protection. World-wide free trade and general disarmament would relieve all peoples in some measure from the burdens necessarily pressing upon all from years of slaughterous and wasteful war. Increased protection and continued costly armament will add vastly to the burdens of the world, and sow the seeds of future wars.

Article II. The object of the American Free Trade League shall be to free the trade industries and the people of the United States from any tariff except those imposed for revenue only, AND TO HASTEN THE TIME OF FREE EXCHANGES BETWEEN ALL NATIONS.

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Looking Toward a New World

Program of the British Labor Party on "National Finance." . . . In taxation also, the interests of the professional and house-keeping classes are at one with those of the manual workers. Too long has our national finance been regulated,—contrary to the teachings of political economy—according to the wishes of the possessing classes and the profits of the financiers. The colossal expenditure involved in the present war (of which, against the protest of the Labor party, only a quarter has been raised by taxation, whilst three-quarters have been borrowed at onerous rates of interest, to be a burden on the nation's future) brings things to a crisis. . . . Innumerable new private fortunes are being heaped up by those who have taken advantage of the nation's needs and the one-tenth of the

population which owns nine-tenths of the riches of the United Kingdom, far from being made poorer, will find itself, in the aggregate, as a result of the war, drawing in rent and interest and dividends a larger nominal income than ever before. Such a position demands a revolution in national finance. . . . We definitely repudiate all proposals for a protective tariff, in whatever specious guise they may be cloaked, as a device for burdening the consumer with unnecessarily enhanced prices, to the profit of the capitalist employer or landed proprietor, who avowedly expects his rent or profit to be increased thereby. We shall strenuously oppose any taxation, of whatever kind, which would increase the price of food or of any other necessary of life.

WAR AFTER WAR

Settled seems to be the question of allied economic policy after the war. It is to be a policy of close association in exclusion. There is to be a great deal of protectionism. There is to be one league of nations closely knit against another league of nations. The allies are to boycott the Teuto-Turkish combination. This has been made plain in the announcement of the British ministry to the house of commons. It doesn't look good to democrats who believe in free trade. President Wilson has been almost a free trader. The program isn't a peace program at all. It is for a war after the war. Just now, before the war is over, it may be only a threat against the enemy, but it is hardly a threat that is calculated to make Germany quit fighting. She will fight all the harder if given to understand that after peace comes she is to be cut off from commercial intercourse with the remainder of the world.—*Reedy's Mirror*.

WANTS DIRECT TAXATION

"The organized farmers have always been ready to put forward an alternative for the tariff. It would not take one-half as much out of the farmers' income to meet his share of the expenses of government. Under the tariff farmers are unconscious of the tax they are paying. The invisible tax was the biggest act of iniquity ever committed,"—*Hon. George Langley*, at gathering of the Canadian Council of Agriculture, Winnipeg, July 5-6, 1918.

THIS NO TIME TO SUBMIT TO RECRUDESCENCE

Bayard: "In my own country I have witnessed the insatiable growth of that form of state socialism styled 'Protection,' which I believe has done more to foster class legislation and create inequality of fortune, to corrupt public life, to banish men of independent mind and character from the public councils, to lower the tone of national representation, blunt public conscience, create false standards in the popular mind, divorce ethics from politics, and place politics upon the level of a mercenary scramble, than any other cause."

TAKE HEED

It is for the friends of Free Trade to take heed that the preoccupations of war do not shelter a movement which may later stultify peace. A vicious fiscal system, pressed by the mother country, was the means of severing from the British Empire the North American colonies. Between the self-governing Dominions of today and the mother country there has been, and there can be, no severance of feeling while the mother country maintains free trade. Once begin a system of tariff bargaining and the splendid unity of freewill will begin to disintegrate.—*J. M. Robertson, M. P., England*.

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Sir Edward Grey: "In England, as in every other country, the protectionist element is persistent and active, every industry which is lagging behind from lack of modern methods, of organization, of education, and the whole combative instinct of the country cheers Protection under the name of Retaliation."

I warn and entreat you never to argue the question of free commerce as if it were a material question alone. It is just as strong in its political, in its social, and in its moral aspects as it is in its operation upon the production and increase of wealth.—*W. E. Gladstone*.

Nothing is ever settled until it is settled right. The protective tariff is all wrong. It is wrong in economics, wrong in morals, and a great corruptor in politics. Therefore the protest against it and the resistance to it will never cease.—*Prof. W. G. Sumner*.

CANADIAN WOMEN AND THE PROTECTIVE TARIFF

Whoever says the tariff is none of women's affairs little realizes what the tariff does to our farm women. Every farm woman should line up with the forces which are fighting the tariff and lend her influence and support to its elimination. We know that our farm women have not labor-saving devices in their homes because they cannot afford them, and they cannot afford them because a protective tariff keeps them out of reach of the ordinary farm women.

Let us consider what the tariff this year has added to the expense housecleaning incurs. On the new screen door and windows which the farm woman had to put on the kitchen she paid a duty of 37 1-2 per cent. On the nails she used she paid at the rate of 67 1-2 cents per 100 pounds. For the paint she used she paid a tariff duty of 37 1-2 per cent. For her brooms and scrub-brushes she was charged a tariff duty at the rate of 27 1-2 per cent. For every pound of soap she bought she paid one cent tariff duty. On the new tea-kettle and the pots and pans with which she stocked her newly-cleaned and painted kitchen she paid a tariff duty of 42 1-2 per cent. You see even for cleanliness, which is next to Godliness, the farm woman has to pay an excessive and exorbitant tariff tax. Surely when women realize that on the commonest, homely tasks and equipment they have to hand over a large per cent. of the money they pay to some manufacturer who directly derives that benefit when quite undeserving, they will line up behind the farm people's organization which is unalterably opposed to any but *direct taxation*.

When the woman of the house has the attic bedroom finished and goes to furnish it, here again she hands over much of her hard earned money to the manufacturers. On a dresser she pays a tariff duty of 37 1-2 per cent. For chairs she pays tariff duty at the rate of 37 1-2 per cent., and 37 1-2 per cent. also on the mattress. For the sheets and blankets she pays 42 1-2 per cent. tariff duty; 40 per cent. of the cost of the bedroom lamp goes for tariff duty. We women do not mind paying all the money that is our share to finance our country's affairs, but we do object to handing out all the way to 40 per cent. of the cost of our household utensils and furniture upon excuse of tariff tax, very little of which reaches our government treasury.—*Mary P. McCollum.*

PROVES CANADA THE SECOND BEST CUSTOMER

Though the tremendous shipments of war supplies to England and France, the last year, have tended to minimize the other markets for American goods, it is still true today, as it was before the war, that Canada is the best market for American goods outside of Great Britain.

We have not been exporting as much to Canada as to France, but the trade has been nearer to a cash basis.

In 10 months ending with April, 1918, our exports to Canada were valued at \$616,422,000, exceeded only by war trade with France and England. These exports were three-fifths of all our sales in North America, a group taking in Cuba. Imports amounted to \$356,430,000, or \$120,000,000 greater than from British East Indies, which is next in quantity of imports. Japan sold us \$228,026,000 of goods. In considering future trade conditions, we can hardly be indifferent to the fact that nearly half our raw imports from North America already come from Canada.

A well-posted Western banker estimates that Canada every year spends with us \$1,000,000,000 for manufactured goods, raw materials, interest and travel.

In Canada's fiscal year just ended, trade rose to \$2,502,000,000 from \$1,050,000,000 in the last pre-war year. Canada has at last reached a high plane in the marketplace of the world. Substantial orders for war material and supplies have been executed by Canada for the United States, arousing a new feeling of fellowship and quickening the understanding of what is so obviously true, that there is an identity of interest now between Great Britain, Canada and the United States which, to all appearances, will be permanent.—*Boston Herald.*

THE REMEDY WILL COME WITH DIRECT TAXATION

Franklin Pierce, a former president of this League said: "We shall never get rid of the evils of protectionism until every dollar raised by taxation is paid into the national treasury; until we stop entirely this practice of allowing the right of government to tax property to be used for the purpose of allowing the manufacturer to prohibit importations, form trusts and rob our people of hundreds of millions of dollars each year. The remedy is in direct taxation. Every man has a right to know exactly what he pays toward the expenses of the government, and *direct taxation* is the only means of stopping the lavish expenditure of public money.

HELP THE GOVERNMENT

Owing to the enormous increase of government war work, the governmental departments at Washington are being flooded with letters of inquiry on every conceivable subject concerning the war, and it has been found a physical impossibility for the clerks, though they number an army in themselves now, to give many of these letters proper attention and reply. There is published daily at Washington, under authority of and by direction of the President, a government newspaper—The Official U. S. Bulletin. This newspaper prints every day all the more important rulings, decisions, regulations, proclamations, orders, etc., etc., as they are promulgated by the several departments and the many special committees and agencies now in operation at the National capital. This official journal is posted daily in every postoffice in the United States, more than 56,000 in number, and may also be found on file at all libraries, boards of trade and chambers of commerce, the offices of mayors, governors, and other federal officials. By consulting these files most questions will be found readily answered; there will be little necessity for letter writing; the unnecessary congestion of the mails will be appreciably relieved; the railroads will be called upon to move fewer correspondence sacks, and the mass of business that is piling up in the government departments will be eased considerably. Hundreds of clerks, now answering correspondence, will be enabled to give their time to essentially important work, and a fundamentally patriotic service will have been performed by the public.—*E. S. Rochester, Editor.*

A FAIR FIELD AND NO FAVOR

Horace Greeley said that the darkest hour in a young man's life is when he sits down to plan how to get money without earning it. The spectacle of special privilege rolling in wealth and idleness has disintegrated the morals of the young and lowered the true standard of national greatness as nothing else has. The mythical superiority of the adventurers in the field of special privilege is being effectively disposed of and the fact, as Hetty Green said, that "most any one could do those things if they were bad enough," will dissolve the spell which has held the youth of America in spiritual bondage, and lead them to search for the true solution which will bring with it national probity, plain dealing at home and abroad.

Editorial

Activities of President Putnam

It will be observed by our members that President Putnam is not only working in conjunction with the Cobden Club for international free trade but he is also finding time to work with a committee, of which Queen Alexandra is patroness, to supply the boys so far away from home the parcels of food and little luxuries which congested transportation prevents coming from this side of the ocean, and which the canteens abroad do not furnish. Maj. Putnam and Lady Walston first suggested the plan by writing letters to the newspapers which met with quick response. The following from the valuable "London Nation," June 8, gives a brief account of the recent meeting in the House of Commons:

"I was interested to hear Mr. George Haven Putnam's discourse on Free Trade to the Cobden Club meeting at the House of Commons. I need not recall Mr. Putnam's lifelong friendship for this country, nor his famous plea for America's intervention in the war. Both have been important elements in American politics. But his unchanged belief in Free Trade is equally worth recording. Mr. Putnam put the whole Free Trade faith to his audience with admirable lucidity and strength. I hope our Protectionists will note it. Clearly Mr. Putnam thinks that the after-war world must and will be a Free Trade one. Is not that already clear? And for two sufficient reasons. First, that it will be a world, every part of which will be equally famished for imports—imports of food, raw materials, every kind of industrial products. Secondly, that it will in particular be so badly off for food that the whole machinery of food taxes will have to go overboard. Dispense with them and with taxes on raw materials, and not much is left of the Protective tariff. The war has done one good thing: it has cleared the way to internationalism in industry. There lies the road to other kinds of internationalism as well."—*The Diarist*.

Our members will also be glad to read the brief account which President Putnam has written of the meeting held by the Cobden Club in a letter which has reached us from London:

"Free Traders over there were natur-

ally interested in learning something about the present policy and purposes of our Free Trade League. The members of the Cobden Club turned out in goodly numbers. The meeting was held in the Harcourt Room of the House of Commons, a very dignified and appropriate surroundings.

I wonder how long it will be before the House of Representatives permit our League to use one of its committee rooms for a Free Trade meeting? The meeting was presided over by the Vice-President of the Cobden Club, Sir Francis Mowatt. The other noteworthy people present were Lord Bryce, Lord Beauchamp, Mrs. Fisher Unwin (the daughter of Cobden) and other representatives of our way of thinking. The older members of the Cobden Club whom I have met at past gatherings, Lord Welby, Sir Thomas Farrar and others, have joined the majority. They gave me fifty minutes for my address and I did what I could to make an effective presentation of our purposes and present plans, and of the larger hopefulness that comes to American free traders for influencing national opinion and national policy through the coming of America into this world war. I think that our fellow citizens are beginning to realize that in accepting obligations as a member of the family of nations, America can no longer pursue a district or parochial policy. I think also that with the strong desire for peace on the part of all the nations, the free traders on both sides of the Atlantic will be able to emphasize the importance (entirely apart from the economic considerations) of freedom of trade in helping to secure and to maintain the peace of the world. The members present spoke appreciatively of my talk and Lord Bryce, who moved the vote of thanks to the speaker, was particularly appreciative. Praise from Lord Bryce is praise from Sir Hubert."

The essence of tyranny lies in the power to make both sides of a bargain.

Right principles are always susceptible of application.—Garrison.

MAKE THE WORLD SAFE FOR PATRIOTEERS.

It is evident from the signed editorial which appeared in the Boston Herald of May 17, that Mr. Thomas O. Marvin, Secretary of the Home Market Club, desires to see the world "made safe for plutocracy" (to paraphrase the ideal for which the peoples of the world are really fighting). According to Mr. Marvin we must have a high protective tariff under the pretext of punishing Germany.

Our Allies are worth fighting for and dying for but not to be traded with. Once the armed conflict is over we must refuse to trade with them and burden our own people and others with protective tariffs and economic wars for the sake of enhancing the profits of a few privileged interests. Protection indeed, to protect the special privilege of the few at the expense of the many.

If, after the German military machine is smashed and the Germans driven back within their own boundaries, west, east, north and south, the German people are still unregenerate and it is found necessary to refuse to deal with them, this end can be accomplished by special legislation, but not by the general, high, customs tariffs Mr. Marvin is trying to make the people believe are necessary.

From a friend of the American Free Trade League: "I am sorry that I cannot afford to give more, as at this time everything possible ought to be done to advance the cause of Free Trade and prevent thereby future wars.—J. J. H."

To judge from the Protectionist letter which we give a first page position, this Cult would seem to be in the same category as a certain noble Duke, who was in a controversial tilt on paper with a great American, who quotes the nobleman as follows: "The Duke declares it has not been his aim to argue. This is clear. I wish it were as clear it had not been his aim to misrepresent."

Now is the time to join the American Free Trade League. All new members will receive the four copies of our official organ, the Free Trade Broadside, of which this number ends the Volume. Make checks payable to the American Free Trade League.

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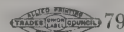
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Watch For the Arbitrator

We particularly recommend to the attention of our members the November issue of the "The Arbitrator" which we are sending out as a sort of supplement to the November issue of the Broadside. The Arbitrator contains an article championing Free Trade by Mr. George Haven Putnam, president of the American Free Trade League, and one on Protection by Mr. Thomas O. Marvin, editor of The Protectionist, with rejoinders by each.

We think further comment unnecessary and confidently leave to any and all readers of these articles the decision as to which has made out the stronger case.

Anatole France: "It is to our advantage to have the people of every race and color powerful, rich and free. Our prosperity and wealth depend upon theirs. The more they produce, the more they will consume. The more they profit by us, the more we shall profit by them. Let them rejoice abundantly in our labor, and we shall rejoice abundantly in theirs."

Britain Not Likely to Renounce Free Trade After War

Translated by Edmund J. Burke, Secretary.

In the September, 1918 issue of Journal des Economists, Paris, M. Yves Guyot warns Protectionists of that country not to be too much elated over the fancied renunciation of free trade by Great Britain as its past, present and future economic policy. To the claim of the protectionists that Lloyd George and Bonar Law had announced themselves in favor of "Imperial Preference" to a delegation of the National Union of Manufacturers presented by Sir Edward Carson, and that this interview was decisive and assured the triumph of the program proposed by Mr. Joseph Chamberlain in 1903, M. Guyot remarks that the French newspapers which make these statements are the same that in 1903 predicted the triumph of Mr. Chamberlain only to see him and his program decisively defeated in the succeeding elections of 1906 and 1910. M. Guyot points out that the protectionists are taking all the advantages they can of the war and the passions, prejudices and desire for trade reprisals against Germany engendered by it; but he calls attention to the fact that nevertheless according to the Board of Trade, the two greatest industries of Great Britain, cotton and shipping, hold staunchly to free trade; Sir Hugh Bell of the Committee of Minor Industries has raised irrefutable objections to protectionism; and the Trades Union Congress voted overwhelmingly in favor of free trade, 2,711,000 to 591,000.

As to the boasted recent conversions to protection, Lloyd George is eloquently silent on the subject and Bonar Law and Austen Chamberlain were already converted, the former being an early president of the Tariff Reform League (a protectionist League in England) and the latter "the son of his father."

M. Guyot shows that Mr. Joseph Chamberlain indulged in high sounding phrases and glittering generalities as to "thinking imperially," "cementing the British empire," exhorting his

hearers not to be and think only as little Englanders; always vague. But when forced under pressure of direct questions to get down to exact figures he proposed a few duties so insignificant as to be valueless in protecting the farmers, encouraging colonial trade or increasing the revenue or trade of the empire and would only result in increased prices of food.

Quoting Mr. Chamberlain in his Glasgow speech of Oct. 3d, 1903: "I do not want to tax maize (food of the poor and useful for fattening hogs), I also exempt lard because it is a popular food-stuff. I propose a small tax of 5 percent on foreign meats and dairy products," adding "I do not think these little taxes would be paid by the consumer; I think on the contrary they would be paid by the foreigner." But says M. Guyot, *if the foreigner was going to pay the tax, why did Mr. Chamberlain exempt maize and lard?*

Mr. Chamberlain proposed an average tax of 10 percent on manufactured articles; a higher tax on articles in which manual labor predominated as a sop to workingmen. Mr. Chamberlain's program can be summarized as follows:

1st. Impose duties on certain food products coming from abroad and exempt similar products originating in the Dominions and British possessions, so that the prices of food products were increased by the amount of these duties.

2d. In return the Dominions and British possessions were to impose lower duties on articles of English manufacture.

3d. Impose a 10 percent duty on articles of foreign manufacture for the benefit of the English workingman.

But Mr. Chamberlain never showed how taxes on foreign food products and manufactures was going to enlarge foreign markets for British industries, nor we may add have any other effect on British farmers and workmen than to add to their cost of living. Mr.

Chamberlain's proposal would have produced insignificant results so far as agriculture was concerned. His protective duties for the whole empire, including India and the Dominions were to produce 1,420,000 pounds sterling. This was to cement the unity of the empire, and in his speech at Guildhall he exclaimed dramatically: "Let us think imperially!"

The total revenue of the colonies and India was 1,200,000,000 pounds sterling. The imperialism of Mr. Chamberlain was to increase this purchasing power by about a tenth of one per cent, and by this means the unity of the British empire was to be cemented and the colonial market for manufactured goods greatly enlarged. Truly a great effect for so small a cause. When, between the promise and the reality of a program there is such a disproportion, we are stupefied at the consciencelessness of him who proposes it, and the ingenuousness of those who propagate it.

Mr. Chamberlain claimed that the empire should be self sufficient but he did not dare to say I intend therefore that each English household shall reduce its consumption of meat 60 percent and of wheat 70 percent; nor yet to the Lancashire mills, of the 1954 million pounds of cotton imported in 1904 you must give up the 1858 millions imported from abroad and be content with the 96 millions that come from the colonies and British possessions. Mr. Chamberlain protested that without preferential tariffs the unity of the empire could not be maintained. But the heroic and persevering co-operation of the Australians and Canadians on the field of battle have proved that their unity with Great Britain did not depend on the few farthings with which Mr. Chamberlain pretended he could buy it. Under free trade each Dominion can develop according to its own best interests. "Imperial Preference" would be in a way a return to the old colonial system which resulted in the Declaration of Independence of the American colonies and the foundation of the United States.

Now the Tariff Reformers (English Protectionists) had proved, as the protectionists of other countries, with what ease they contradict themselves and change their program to catch now this now that class of votes.

At the end of 1913 the Tariff Reformers had become discouraged. The Unionists were confronted with the fact that their protectionists policy had led them to three electoral defeats;

and in spite of Mr. Chamberlain's predictions never had the industrial, commercial and financial power of the United Kingdom been greater. The majority of the inhabitants of Great Britain were obstinate in not wishing to pay more for their bread and meat.

Bonar Law had been obliged to declare solemnly that the Tariff Reformers had given up the idea of taxing food. But then the farmers, forced to pay more for manufactured articles, would be without any benefit from Tariff Reform. It was a new defeat for the protectionists.

Then the war came. Mr. Lloyd George and the Unionists have turned the Liberals out of office. He is at the height of his power. The Allies are enjoying their period of success in which the English are gloriously playing their part. Mr. Lloyd George presents the "Patriotic Program." Imperial Preference is found as the first item of this program. The subject is so easy to exploit. We owe so much to the Dominions whose sons have shown such heroism side by side with their brothers of Great Britain.

The Unionist Protectionists indicated to Mr. Lloyd George that the "Patriotic Program" belonged to them alone; and they put forward the Australian minister, Mr. Hughes as they put forward in 1902 his predecessor Mr. Seddon, who had the misfortune, in advancing his economic theories to fall into a ridiculous position from which he could not be extricated. Mr. Hughes is no more astute as he proves when he calls free traders pro-Germans. Nevertheless the English protectionists are experiencing difficulties ever greater than those against which Mr. Chamberlain and his followers were striving. Mr. Lloyd George proposes:

1st. Imperial Preference, but no tax on food stuffs.

2d. To give the Empire preference on raw materials, but to be in complete accord with the Allies on this point.

Now the Dominions and colonies only export food stuffs and raw materials and if there is no tax on food stuffs and other countries are refused raw materials, the price of these will fall and the only result of Imperial Preference will be that Great Britain will get her raw materials cheaper at the expense of her colonies and possessions; if the Allies can get the raw materials as they do now, what has become of Imperial Preference? As heretofore there are only contradictions or vagueness or vacuity in the whole program.

True Now as it Was Then

The same Right Hon. Joseph Chamberlain in a speech at Ipswich, in 1885, said: "The farmers will be very foolish indeed, if they follow after this will-o'-the-wisp (Protection). The food of the people was taxed to raise the rent of the landlord. None of the plunder found its way into the pockets of the farmers."

"A self-respecting, able-bodied man should be ashamed to take up a collection for his own benefit, even though the parliament of the land passes a law to enable him to do it, and calls in a customs act."—John W. Ward, 44th Battalion, Canadians, France.

A Canadian Farmer's View

"Shorter hours all around? Why shouldn't we have them? Here we are in threshing time, getting out at four o'clock and getting our men out at four o'clock and driving them from that time till eight or nine before they eat their supper, as no men ought ever to be driven—and for what? To pile up profits for those who have the grip on us under the present system. They go down to their offices from nine to ten-thirty, take two hours and a two-dollar lunch in the middle of the day and go off again at four-thirty or five. The hours when they are at work are spent in counting what graft they have made and devising plans for making more. Is it any wonder the farmers are organizing? They are fools not to devote ten times the money and energy and the service to bring up every last man on the land to drive out the profiteer and the tariffist and the whole rotten combination. If they could only get together and give the robbers to know that the scandalous business must stop, or shoot the last scoundrel of them—there would be a chance for a square deal and hours of labor that wouldn't wear the souls out of people before they are middle-aged. It is coming too—you bet."—Grain Growers' Guide.

"Papa, when you are a diplomat you have to try to make the other fellow believe everything you say, don't you?"

"Not exactly, my son. You try to make him believe just the opposite of what he thinks you really intend to say, and even then you are lying to him."

Folly of Increasing Tariff to Pay Current War Expense

By Erving Winslow, a Vice-President for Connecticut.

How can one hope for a hearing after the babel of voices which has filled the air since it was discovered that the tariff was to be one of the most lively after-war questions and must influence the late election? Upon the great parties, both pledged in terms to protection, whether as a principle or for the assumed needs of recuperation, we can only keep careful watch. Opportunism may give the "free lance" his chance. It is needless to say that the Democratic Party which faces economic problems with a more international mind than its opponent is thereby inclined to more moderate tariffs. In final settlements many Free Traders may be inclined for a time to merge the 22-Anti-Entente nations in a "most-favored" League and to restrain access to "raw materials" by those who needing them most, deserve them least and latest, if full justice is to be done! These dispositions are not with us yet. Were it possible to make a frontal attack, we have no unified command. Our co-workers in England and France seem to be waiting on events. Meanwhile we have a President who is an idealist in free exchange, a party with some glorious memories and traditions, and a Tariff Commission the head of which is in heart and mind a free trader.

Our dealing today is with ad interim arrangements, provisional and transitional. Professor Taussig's personal opinion, is that his Commission will not deal with them. Yet public opinion should be rightly directed to the fact that recent suggestions in Congress have considerable backing in opinion. It is urged instead of raising the income or excess profit taxes, higher duties should have been placed on imports with a view to meeting war expenses thereby. The impression was given to those who wished to believe that way, that here is a virgin field practically untouched by the tax gatherer, and that only obdurate free trade doctrinaires stand in the way of the gathering of a rich harvest. Now the most hide-bound tariffite allows that at some moment, and for some period of time, an advance in import exactions, whatever he believes to be its final beneficent effect, does lay a transitory burden on the consumer which hardly justifies any such violent

step for a narrowly limited time. What are the facts?

The total amount ever collected, or collectible, from customs duties would cut but a small figure in comparison with the \$8,000,000,000 it is proposed to raise by taxation this year, and any mere excess which a possible advance in the tariff might produce would be negligible; unless indeed, the tariff rates were raised so that they might and probably would result in reducing imports with the effect of reducing the revenue. "The largest receipts from customs were in the fiscal year 1909-1910, when imports were swollen to avoid the higher duties of the Payne-Aldrich Act. In that year the total collected was \$333,683,445, an increase of about thirty millions over those of the year before. The next year they dropped over \$19,000,000 and they kept on decreasing until 1916. A slight increase followed during the two succeeding years. For the fiscal year ending with June 30 last the duties collected are placed at \$179,998,383, or about \$46,000,000 less than the year before. The reduction may fairly be attributed in some measure to the restriction in imports made necessary in reserving tonnage for transporting our overseas forces."

If it were determined to raise any considerable amount from added customs duties, on what could the levy be made?

The crude materials to be used in manufactures comprised 51.78 per cent. of all non-dutiable imports, 15.75 per cent. of the dutiable and 41.65 per cent. of the total imports. Manufactures for further use in manufacturing made up 18.74 per cent. of the total imports, about four-fifths being non-dutiable. Foodstuffs, crude and otherwise, were 25.66 per cent., over three-quarters of the partly or wholly manufactured stuff being on the dutiable list. These classes accounted for \$2,532,361,278 of the entire imports.

It would be foolish to put higher duties on these articles because it is necessary, both for this country and its allies, that they be had as cheaply as possible. Most of them are articles which are not produced here—like rubber—or are not produced in sufficient

quantity—like wool. Eliminating, therefore, the classes of imports mentioned, there remain for consideration the imports of manufactures ready for consumption. The percentage of such imports was less in the last fiscal year by 9.11 per cent. than in 1913, when the Payne-Aldrich tariff was in effect. These imports last year totaled \$394,671,791, forming 13.40 per cent. of the whole. Of this amount \$219,184,607 or about 55 per cent., was on the dutiable list. Now, supposing that 20 per cent. duty were put on the things now on the free list and another 20 per cent. added to those now dutiable the entire amount of revenue that could be derived would be less than \$80,000,000, or about 1 per cent. of the sum which it is proposed to raise by taxation this year. To gain this small result, a wholly disproportionate burden would be placed on the people of the whole country and its injustice would cause its speedy remedy.

It is our part also to watch the growing trend toward the perpetuation of government management. To prepare for this, Great Britain had 140 committees, 6 commissions, 4 ministries, 6 departments, and 3 army boards. An Imperial Association of Commerce has been formed to oppose excess of management in matters which could better be left to trade.

There must be organization. There should be a minimum of control, if Government, capital and labor are to co-operate. It does not follow because labor and capital have vied in loyal submission to control in war that they will do so in peace. Labor has said that it would not submit to control for private profit even in war. Still less could it be expected to do so in peace. Capital has willingly submitted to something like conscription in taxes and commandeering of plants, but no more than labor will it be content to submit longer than patriotism demands. Peace will not strengthen the hands of Government, but will increase its burdens. But in peace as in war the particular care of Government should be the weaker elements of both labor and capital. Always they are the first to suffer from stress, and the last to recover. The stronger and better organized element are also usually the more intelligent and the better able to care for themselves.

Chairman Taussig has struck a happy note. He has declared for "an open door policy in trade as in diplomacy." The world trade is to be opened as never before, and the American policy, should be a fair field with neither favors nor penalties. Our trade policy also should rest on ideals.



THE CANADIAN COUNCIL OF AGRICULTURE

This Council is composed of the executive officers of the United Farmers of Alberta, the Alberta Co-operative Elevator Company, the Saskatchewan Grain Growers' Association and the Saskatchewan Co-operative Elevator Company, the Manitoba Grain Growers' Association, the Grain Growers' Grain Company, the Grain Growers' Guide, the United Farmers' Co-operative Company of Ontario, representing 65,000 farmers affiliated with this Organization. The platform drafted by the Council was adopted unanimously at a great convention held in January and February, 1917. 3,000 delegates being present.

Members of the Canadian Council of Agriculture realize that the wage earners, artisans, professional men and trades people suffer equally with the agricultural classes from the fiscal and economic system that prevails in Canada and are just as much interested in economic and social reforms as are the farmers.

Platform of Canadian Farmers

Whereas, the war has revealed the amazing financial strength of Great Britain, which has enabled her to finance not only her own part in the struggle, but also to assist in financing here Allies . . . this enviable position being due to the free trade policy which has enabled her to draw her supplies freely from every quarter of the globe and consequently to undersell her competitors on the world's markets, and because this policy has not only been profitable to Great Britain, but has greatly strengthened the bonds of Empire by facilitating trade between the Motherland and her overseas dominions—we believe that the best interests of the Empire and of Canada would be served by reciprocal action on the part of Canada through gradual reductions of the tariff on British imports, having for its object a closer union and a better understanding between Canada and the Motherland and by so doing not only strengthen the hands of Great Britain in the life and death struggle in which she is now engaged, but at the same time to bring about a great reduction in the cost of living to our Canadian people;

And, whereas the Protective tariff has fostered combines, trusts, and "gentlemen's agreements" in almost every line of Canadian industrial enterprise, by means of which the people of Canada—both urban and rural—have been shamefully exploited through the elimination of competition, the ruination of many of our smaller industries and the advancement of prices on practically all manufactured goods to the full extent permitted by the tariff;

And, whereas agriculture—the basic industry upon which the success of all other industries primarily depends—is almost stagnant throughout Canada, due largely to the greatly increased cost of agricultural implements and machinery, clothing, boots and shoes, building material and practically everything the farmer has to buy, caused by the Protective Tariff, so that it is becoming impossible for farmers generally to carry on farming operations profitably;

And, whereas the Protective Tariff is the most wasteful and costly method ever designed for raising national revenue, because for every dollar obtained thereby for the public treasury at least three dollars pass into the pockets of the protected interests, thereby building

up a privileged class at the expense of the masses, thus making the rich richer and the poor poorer;

And, whereas the Protective Tariff has been and is a chief corrupting influence in our national life because the protected interests, in order to maintain their unjust privileges, have contributed lavishly to political and campaign funds, thus encouraging both political parties to look to them for support, thereby lowering the standard of public morality.

Therefore be it resolved that the Canadian Council of Agriculture, representing the organized farmers of Canada, urges that as a means of bringing about these much needed reforms and at the same time reducing the high cost of living, now proving such a burden on the people of Canada, our tariff laws should be amended as follows:

1. By reducing the customs duty on goods imported from Great Britain to one-half the rates charged under the general tariff and that further gradual, uniform reductions be made in the remaining tariff on British imports that will ensure complete free trade between Great Britain and Canada in five years.

2. That the Reciprocity Agreement of 1911, which still remains on the United States statute books, be accepted by the Parliament of Canada.

3. That all food stuff not included in the Reciprocity Agreement be placed on the free list.

4. That Agricultural implements, farm machinery, vehicles, fertilizers, coal, lumber, illuminating fuel and lubricating oils be placed on the free list.

5. That the customs tariff on all the necessities of life be materially reduced.

6. That all tariff concessions granted to other countries be immediately extended to Great Britain.

Taxation for Revenue.

As these tariff reductions will considerably reduce the national revenue derived from that source, the Canadian Council of Agriculture would recommend that in order to provide the necessary additional revenue for carrying on the government of the country and for the prosecution of the war to a successful conclusion, direct taxation be imposed in the following manner:

1. By a direct tax on unimproved land values, including all natural resources.
2. By a sharply graduated personal income tax.

3. By a heavy graduated inheritance tax on large estates.

4. By a graduated income tax on the profits of corporations.

A Distinctive Body

Through the courtesy of the "Grain Growers' Guide," Winnipeg, Canada, we are able to present our readers with a cut of the Canadian Council of Agriculture. So far as we know this group has the honor of being the first and only body of men on this continent who stand squarely for the abolition of all tariffs and for the raising of all governmental expenses by direct taxation, the first plank calling for the much-discussed taxation of the rental value of land. It speaks for at least 65,000 farmers.

Moorfield Storey: "We are fighting not for a system of taxation, but for a principle of morals. The fundamental doctrine on which free institutions rest is that the power of the people must be used for public and not for private ends. Protection is not only an economic error, but a moral wrong. It is the most conspicuous out of many cases in which men derive private benefits from the control of the government. . . . Our first duty is to wage war against the use of public power for private ends under whatever guise it appears. We must uproot, if we can, the delusion that the government is a dispenser of favors, the source of private fortunes. When Congress adjusts its taxes so as to benefit this or that group of men, especially when its action is affected by the political creed or the campaign contributions of the beneficiaries, the seed of revolution is sown."

From The Chinese

On crossing an old battlefield at night.
(800 A. D.).
Where the hills, arrested, drop to level land,
Here, men say, an old fight was fought.
The frozen river gurgles a choked sigh:
The marsh-fires glitter strangely blue.
The moon is sinking; the shadowy
sands are black:
The wind is laden with the dank smell
of trees.
For the soul of each that died in battle
here
I pray—not asking if he were friend or
foe.

J. Stuart Mill. "The love of Power and the love of Liberty are in eternal antagonism. Where there is least liberty the passion for power is the most ardent and unscrupulous."

"Trade cannot be truly free until the restrictions which hamper production are removed.

Protection Would Play Havoc With Britain's Foreign Trade

Premier Hughes of Australia who is trying to revive the discredited doctrine of Protection in England is meeting with severe criticism from laborites and the liberal press. The Nation, London, Eng., has the following clear-cut article in a recent issue:

Mr. Hughes's performances fill us with as much amusement as amazement. Here he moves among our great industrial centres following the footprints of Mr. Chamberlain's campaign of fifteen years ago, repeating the same terrific scarewords, diagnosing the same fearsome diseases, and prescribing the same infallible remedies. Though every informed person in this country is aware that the period preceding the war was one of unparalleled prosperity for our trade and industry, Mr. Hughes insists that we were living "on the very brink of destruction." Germany had control of our "key industries," her great bounty-fed octopus cartels were enabling her to dominate the markets of the world, the coils of her insidious credit system were fastening their stranglehold upon the commerce, mines and manufactures of the whole Continent, her bagmen were penetrating every remote country of Asia and South America with their perilous wares. Mr. Hughes, like Mr. Chamberlain, was once a Free Trader, but has seen the error of his ways, and has renounced the "shibboleths," craving pardon and seeking tardy salvation in the fold of Imperial Protection. With him, as with his predecessor, the glory of a unified and self-sufficing empire hides all the hoary fallacies of common Protectionism. Incidentally they all peep through. Tariffs can make employment of labor larger in volume and more secure. They can give our manufacturers full possession of the home market without causing the loss of any foreign market. Nay, they can do much more. For by keeping to ourselves in the matter of imperial resources, we can stop foreigners, Germans in particular, from getting the raw materials wherewith to compete with us. So we and not the Germans, will dominate the markets of the world when the war is over. It is all very simple and unutterably silly. But it is supposed that the public mind is now so gelatinous and suggestible that all the sophisms which our common sense folk looked at and rejected ten years ago will pass muster

as the new war-brand of economic wisdom. Not only do pre-war principles become shibboleths, but pre-war lies become solid and accepted facts. We wonder how many of the Manchester business men who listened to Mr. Hughes at the Free Trade Hall, really believe that, if the war had not intervened, German cartels and banks would have established a "world domination." Many of them must have been aware from their own personal knowledge that our financial penetration of such a country as Argentina was far more thoroughgoing than anything that Germany had done. It is true that our commerce and finance were spread over the wide world. The first effect of Mr. Hughes's economic system would be to contract their area. For if we keep the raw material of the empire to ourselves, we shall consume less of the foreign materials, and therefore must sell less of our manufactured goods to them, and do less of their transport and banking work. A self-sufficing Empire, or even a self-supplying Alliance (though Mr. Hughes has little to say for the economic alliance) must look to see its trade and financial relations not merely with present enemy countries but with all neutral countries, dwindle and become precarious.

Any sober-minded man, however imperialist and Hun-hating he might be, would surely pause before committing this country to a system which must play havoc with its foreign trade. Does not even Mr. Hughes perceive what losses to our economic position in world commerce will have been incurred in the course of a prolonged war? To name two of the most obvious, the business men and financiers of the United States will by that time have displaced us permanently in most departments of the transport, finance and markets of Central and South America, while Japan may have excluded us forever from the bulk of our Pacific-carrying and very naturally in the forefront of his mind, should be able to envisage the precarious position in which the people of this country would be placed if a "close empire" were established, in which the world-markets were no longer freely open to our new business enterprises, and when our manufacturers were put to considerable straits for lack of easy access to such

important material as oil, rubber, cotton, copper, and other articles, the best supplies of which lie outside the Empire or even the Alliance. No doubt it would be excellent business for Australia if we were to bind ourselves to purchase at good prices arranged by our Government the whole of their available supplies of wool, zinc, wheat, and meat. But would it be equally advantageous for our manufacturers and our consumers? Surely, if the experience of this war has taught us anything, it is that the amazing economic prosperity of Great Britain is attributable to the immense variety of our trade routes, and to the commercial and financial strength which three generations of free imports have established.

Mr. Hughes still harps on the resounding strings of "key industries," as the most persuasive note to lure Free Traders to their doom. But no intelligent Free Trader is likely to respond to his enticement. If a peace, whether dictated or negotiated, leaves this country large stores of certain articles, such as zinc, tungsten, dyes and optical instruments, necessary for purposes of forcible defence or for civil needs in the event of another war, every sane man will agree that our Government should accumulate supplies and "operate" the industries. But this is no question of imperial economics, or of tariff-rigging. No preferential pull upon zinc in Australia, or tungsten in Burmah, will serve the purpose in a war in which submarines and aircraft may block the passages of water and air. The policy of Mr. Hughes will bring despair to anyone who tries to think it out. For whatever other consequences it may have, it ensures the existence of a Europe broken into two warring economic systems, each struggling against new crippling disabilities, with the weaker system stimulated by its deprivations to the utmost efforts of recuperation and reprisal, and pouring all its intellectual and moral resources into new channels of destructive preparation. Under such circumstances protective tariffs would count for little, for they could yield no security. This nation would have to adopt a far sterner regime of State-subsidised agriculture, and confine manufactures to the munitions of war and the bare subsistence of a population reduced by emigration and birth-control to a self-sufficing level. The whole of its surplus of vitality and productive power would be dedicated to providing against the inevitable day when the crippled and envenomed foe would recover energy for a supreme attempt to get those raw materials which Mr. Hughes and the "Morning Post" are bent upon refusing him.

Manchester Free Traders Against Protected Dye Industry

With your kind permission, we, the undersigned officers of the Free Trade Union, would call attention to the way in which the present government—not for the first time—is taking advantage of war conditions to commit the nation to an after-war-policy for the adequate discussion of which no opportunity has been given. The reception accorded by the country to the Imports and Exports (Temporary Control) Bill should have been a sufficiently clear indication of the fact that bureaucratic domination of our foreign trade was generally regarded as an evil to be endured only while war made it necessary. Yet, only a few months later we learn from the President of the Board of Trade that “the Government have decided that the importation of all foreign dyes, except under license, shall be prohibited for a period of a least ten years (after the war).”

An official announcement of this kind, involving as it does, a revolutionary change in our trade policy, cannot be suffered to pass unchallenged. The exigencies of war have secured our acceptance of hitherto undreamt-of restrictions upon commercial activities; but these restrictions have always been imposed as war measures, and intended to further the interests of the whole nation. The prohibition of the importation of dyestuffs fulfills neither of these conditions. It refers not to the war, but to the first decade after its conclusion; and by Sir Albert Stanley's own account it is based upon consideration of the interests of one particular industry, and is aimed alike at enemy and neutral countries. Thus it would appear that a department of the State is pledging the country to Protection in its most extreme form, in order to secure the success of an enterprise which that department of the State has set on foot and which, on Sir Albert Stanley's admission, has disappointed expectations. If government action is to proceed on these lines, it is scarcely worth while to retain Parliament as part of our legislative machinery.

As regards the unwisdom of the decision from an economic standpoint, much might be said. . . . We would here mention only two points that deserve attention. First, it is somewhat premature to fix a post-war period for protection to a dye trade at a time when the

end of the war is not in sight, and when a scheme has just been set on foot which is intended to facilitate the progress of the industry. Are we to infer from this that the leeway to be made up is so great that effective competition with other countries, even in the home market, will not be possible for an indefinitely long time to come? Secondly, we would suggest that due regard has not been had to the bearing of this new policy upon our export trade, of which dyed and colored goods form an important part. To quote from the recently issued report of the Committee on Textile Trades after the War, “Unless we are in a position as soon as the war is over to offer as full a range of suitable colors as any of our competitors, we shall find ourselves at a serious disadvantage in international competition.” This competition will be more and not less keen after the war than before it, especially in Eastern markets, where we shall do well to remember that our great rival is Germany. Such a limitation as has been proposed will not seriously damage German trade in dyes, while it will assuredly operate as a very heavy handicap upon our export of textiles, already adversely affected by war conditions.

Finally, we would point out that this measure, if carried through, is not likely to be an isolated instance of Protection. Signs are not wanting that other industries are moving in the same direction, desiring security against the rivalry of well-equipped and well-organized producers abroad. The cut-and-dried agreements with special interests, such as that announced in the case of the dye industry, will inevitably embarrass the nation when the time comes for discussing terms of peace and to honor such agreements will be to enter upon a period of economic strife which can have no other issue than a repetition of the fearful conflict in which we are now engaged. Yours, etc.,

A. Gordon C. Harvey, Pres.

Samuel Lamb, Treas.

Gilbert Beard, Sec'y.

Free Trade Union (North-Western Counties Branch) 52 Cross Street, Manchester, England.

Twenty-five cents will send the Free Trade Broadside to someone for a year. Individual subscriptions are welcome.

Denounces The Recreant Australian Premier

Mr. Philip Snowden, Labor member of the House of Commons addressed an open letter to Mr. Hughes in very unmistakable terms, in regard to his activities in England. We quote a part of it: “You have come to this country at a time when democracy is fighting a life and death struggle for its existence; when advantage is being taken of the war by our traditional enemies to take away our political, industrial, and social liberties. There has never been from you one word of protest against all this. Nay, on the contrary you have been the most powerful supporter the Government has had in all these designs. . . . You have identified yourself with the damnable doctrine of Protection, and have helped to revive this discredited movement in Great Britain. You profess to speak the voice of Australia. You know you have no right to assume such an authority. You know that your Ministry is wholly discredited, and at the first opportunity you and your government will be swept from power. You know that the Australian press, which has always opposed the Labor Party, is with one or two honest exceptions, falling upon your neck and kissing you as the prodigal son returned to the capitalist fold.”

The Patrioteer

These men have uses for the flag which honest, patriotic citizens would not be proud of. “Boys,” said a country school mistress to her pupils on Memorial Day, “Do you know for what that flag is upon the wall today,” pointing to the stars and stripes. Up goes a chubby hand and back comes a piping voice, “Yes'm, it's there to hide the dirt.”

We have been recreant to our duty and recreant to our country in the patience with which we have allowed the protected trusts to rob the people. The day of reckoning is at hand. Poor men can bear poverty and bear it patiently while they are unconscious that it is the result of unjust legislation but they will not bear it long when they once see that their poverty is to a certain extent the result of injustice, and that they, through enhanced prices upon the necessities of life, and not the wealth of the country, are paying the expenses of government. . . . There is sure to come a day when the aroused public indignation of the laboring men will kick its flimsy edifice down and send its authors a flying.”—Franklin Pierce.

Editorial

The Passing of Colonel Codman A Vice-President of the League

By Moorfield Storey.

The death of Charles R. Codman takes from our League a man who for years has been a strong supporter of the principles for which we contend, and one of our most highly respected leaders. He was always an active and interested member of the League from its inception.

His course throughout his long life was guided by rare public spirit. He commanded with distinction the 45th Massachusetts regiment during the Civil War, and after the war was prompt to offer his services as colonel of a volunteer regiment, when Massachusetts tried the experiment of something like compulsory training in preparation for war. In the state legislature he was for some years a leader, and in every contest against political corruption in state or nation he was always to be found fighting for honesty. He stood with Judge Hoar, John M. Forbes, William Endicott and their associates in Massachusetts, who constituted a body of citizens, not seeking office or reward of any kind, but always prompt to uphold by voice and act the best traditions and highest ideals of their native

state. He was prominent among the opponents of Butler and Blaine and of all for which they stood, and was preeminently a Mugwump. His speeches were always clear, forcible and convincing, and in every emergency he rang true.

It was inevitable that such a man should range himself against the protective system, the most corrupting and demoralizing force of our day, and his opposition carried him, as it carried many others, out of the Republican party, which they had joined when it was the party of freedom, and which they forsook when it became the engine of economic oppression.

A strong, brave, true man, a patriotic citizen, the advocate of every good cause, his life was devoted to public service. He was the friend and associate of George William Curtis, Carl Schurz, Judge Hoar, E. L. Godkin, Charles Eliot Norton, Wayne MacVeagh and the men who acted with them. Of that distinguished group he was almost the last survivor, and his death makes us realize that our public life is poorer because men like these are no longer found among our leaders.

From "The Liberator," Auckland, N. Z.: "We have been brain-lazy, and have shunned the effort of thinking. The mental activity engaged in ordinary life is not *thought* at all. It is little more than instinct. Thought is the life of the spirit seeking to understand itself and its surroundings."

'Tis not until the people see their wrongs
And what produces them, and what belongs
To men, by right, and how they're robbed and swindled,
That they can free themselves from slavery's throngs.

'Tis not until the people, with clear eyes,
Shall see the men and laws they deem so wise,
In all their naked villany, that they
Will rise and free the air of fogs and lies."

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUG. 24, 1912.

Of Free Trade Broadside, published quarterly at Boston, Mass., Oct. 1, 1918. State of Massachusetts, County of Suffolk, ss.

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Edmund J. Burke, who, having been duly sworn according to law, deposes and says that he is the chairman of publishing committee of the Free Trade Broadside, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

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EDMUND J. BURKE, Exec. Com.
Sworn to and subscribed before me this 1st day of October, 1918.

HENRY D. NUNN, Notary Public.

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Article II.—The object of the American Free Trade League shall be to free the trade industries and the people of the United States from any tariff except those imposed for revenue only, AND TO HASTEN THE TIME OF FREE EXCHANGES BETWEEN ALL NATIONS.

THE LARGER VISION.

From the battle front are marching,
Homeward bound, a restless throng;
Will they train for higher service?
Strong in war, for God be strong?
O'er the mountains and the valleys
Voice of Peace pours lofty strain,
Earth discerns a larger vision,
Grander heights—for man to gain.
—Jane. G. A. Carter.

William Marion Reedy: We shall have a League of Nations. But the League of Nations will surely blow up, if there is not to be Free Trade.

Hon. Edward Pulsford, Sydney: American free traders would help British free traders by objecting to the United States being differentiated against by either Canada or England. I think Canadians . . . would be glad of excuse to drop preferences, so as to relieve the United States of the penalty side of the policy. . . . Britain would not be justified in holding territories equal in size to three Europes under any but free trade conditions.

What are you doing to help establish International Comity? The American Protective Tariff League is "accepting members" at one hundred dollars per head.

FROM THE PERSIAN.

FIFTY YEARS AGO WHOSOEVER TALKED ABOUT UNIVERSAL PEACE WAS NOT ONLY RIDICULED BUT CALLED A VISIONARY AND UTOPIAN. NOW, PRAISE BE TO GOD, THIS TIME IT HAS ASSUMED SUCH IMPORTANCE THAT EVERY ONE ACKNOWLEDGES THAT THIS QUESTION OF UNIVERSAL PEACE IS THE LIGHT AND SPIRIT OF THIS AGE. BUT THEY STATE THAT THE PATHWAY TO THIS MUCH DESIRED GOAL IS OBSTRUCTED BY A NUMBER OF NOT CLEARLY DEFINED STUMBLING BLOCKS WHICH, HOWEVER, CAN BE REMOVED BY INTELLIGENTLY AND PERSISTENTLY EDUCATING PUBLIC OPINION. I HOPE THE NOBLE LEADERS OF THE WORLD OF HUMANITY WHO ARE THE DIVINE BESTOWALS AMONG THE PEOPLE AND THE MEANS OF PACIFICATION AMONG THE NATIONS, WILL ARISE WITH THE UTMOST OF EFFORT AND WHOLEHEARTED RESOLUTION. . . . THUS THROUGH THE ENDEAVOR OF THESE GUARDIANS OF THE RIGHTS OF MANKIND THE WORLD OF CREATION MAY ENJOY THE REPOSE OF CONCILIATION, THE BANNER OF UNIVERSAL PEACE BE UNFURLED, THE TABERNACLE OF THE ONENESS OF THE WORLD OF HUMANITY BE PITCHED, ALL MANKIND BE GATHERED UNDER ITS PROTECTING SHADE AND THE SHINING STAR OF THE ETERNAL FELICITY AND HAPPINESS OF THE WORLD OF HUMANITY MAY DAWN WITH THE UTMOST BRILLANCY FROM THE HORIZON OF INTERNATIONAL COMITY, AND THE LUMINOUS ORB OF THE SPIRITUAL BROTHERHOOD OF ALL RACES AND TONGUES MAY ILLUMINE THAT UNITED GATHERING OF HUMANITY WITH THE INEFFABLE LIGHTS OF GOD THROUGHOUT COUNTLESS AGES AND CYCLES.

A New Light Upon Free Trade

By Alex Mackendrick.

The friends of Freedom are once more indebted to M. Henri Lambert for a statement of the International Trade question from an entirely new point of view. The excellent little brochure "International morality and the Spirituality of Man," the title of which in itself provokes thought and carries the imagination forward to the remoter implications of the argument for righteous international relations, is the substance of a lecture delivered to the Clergy club of New York. The initial postulate of M. Lambert's thesis is that permanent peace cannot be "forced" by a league or organization, but can only be "induced" by the establishment of the right antecedent conditions,—those of absolutely moral relations between nation and nation. This leads on to the author's interpretation of the concept "International Morality," which in its final analysis he defines as mutual service and co-operation, the abolition of self-regarding limitations, the unrestricted exchange of the products of industry,—or, free trade. Admitting that "to a less enlightened audience" this definition of international morality might be "accused of material-

istic tendencies." M. Lambert proceeds to show that while economic well-being and the more equitable distribution of wealth towards which freedom in trade tends, is not the be-all and end-all of human existence, it is yet one of the necessary positions through which society must pass if mankind is to succeed in its toilsome pilgrimage from the life of the senses to that of the spirit. "By the nature and force of things" he writes, "man must satisfy his economic needs before he can expand in the intellectual, moral, and spiritual spheres of activity"; which is perhaps but another way of stating the proverb which relates the sound mind to the healthy body. But the satisfaction of these economic needs must be obtained by moral means and through moral human relationships, otherwise the attainment of that spirituality of outlook which is the only absolute guarantee of peace, is forever impossible; and this thought is finely expressed in the words "Morality in the relations of man with man is the necessary starting-point of spirituality,—or morality of Man in his relation with God." And the conclusion which stands out from the argument, and

which a reader might perhaps wish to emphasize even more strongly than M. Lambert does, is that from this point of view it is not necessary to prove that the alleged economic benefits of selfish "protection" are illusory, though we believe them to be so. It is only needful to insist that the adoption of immoral means to secure such benefits shuts out the nation that adopts them, from the possibility of attaining a high degree of spiritual culture. Indeed, we may go further and appeal to ancient and modern history for support in affirming that those selfish benefits when secured, can never become permanent, because they are unaccompanied by the spiritual growth which is thus forfeited. To quote M. Lambert, "No civilization can prosper and endure in which the material progress of the community is not balanced by an adequate moral and spiritual progress." The necessity for the preservation of this delicate *balance* between material and spiritual prosperity, and the danger of attaining the one without the other, is happily expressed by the Apostle John in his epistle to Gaius, "Beloved, I wish above all things that thou mayest prosper and be in health *even as thy soul prospereth*"

Clear seeing on these momentous issues would be less difficult if we could sufficiently realize how the constant habituation to certain conditions blinds us to their significance,—how "custom doth make dotards of us all." If each of us in conformity to custom employed a hall-porter on whom we imposed the duty of searching the pockets of our friends and visitors before admitting them to our houses, what would be the quality of the friendship subsisting between our visitors and ourselves? Should we not laugh to scorn the poet who described that sacred emotion as "the mysterious cement of the soul, sweetener of life and solder of society," and assure him it is only at best an armed neutrality or a commercial arrangement? Would we not by our thoughtless adoption of such a social convention, be unconsciously but inexorably debarred from any realization of the higher joys of human intercourse? Would our spiritual life not become stunted, atrophied, or reduced to the level of a rudimentary organ? How true it is, even as a scientific statement or a deliverance of the reason, that if we love not and trust not Man whom we have seen, we

cannot love or trust God whom we have not seen!

Not with impunity can the higher moral law which includes the minor moral laws of good-manners, sincerity, hospitality and trustfulness, be disobeyed by nations or individuals. The Goddess Nemesis makes no allowance for ignorance of the law, nor for that blindness to its operation which follows from the acceptance of conventional usages. So surely as we persist in the profession with our lips of friendliness to sister nations, and continue to greet them on their arrival on our shores with unfriendly actions, so surely will such insincerity react upon our souls and make further growth in grace impossible. The danger of degeneration and ultimate catastrophe indeed is great, as recent events in Europe have proven, for it is written in the original constitution of the universe that the man or nation that "hath not" sufficient grace or wisdom to discern and obey the moral law, shall "have taken away even that which he hath." **That the custom-house and the church should be visible in the same landscape is a solecism, a barbarity, an absurdity, our indifference to which is probably the most serious obstacle to our further progress in the things of the spirit.** It is a significant circumstance that M. Lambert's stimulating appeal was addressed in the first instance to a company of Clergymen, and it is to be hoped that those servants of The Most High will see to it that their prayers for peace are not offered with greater sincerity than accompanies their efforts to understand and to teach the great underlying law of International Morality.

Canadian Province For Reciprocity

Immediate substantial reductions in preferential and customs tariffs and acceptance of the reciprocity pact with the United States is demanded of the federal government by the unanimous vote of the Saskatchewan Assembly. **The Conservatives of the province, for the first time on record, cast their votes with the government on the tariff issues.** —*Canadian*

Twenty-five cents will send the Free Trade Broadside to someone for a year. Individual subscriptions are welcome.

Repeat Original Demands and State New Ones

The Canadian Council of Agriculture, at a recent convention, demanded, with the utmost unanimity, that there be an immediate and substantial all-round reduction of the tariff. They further reaffirmed all the tariff planks in the original platform. Demand was also made for the publicity of the earnings of all corporations benefitting by the tariff. This action was taken so that the public may know the truth or otherwise of the many statements that the protected interests are not making money out of the tariff. If they are sincere, they will not oppose this demand of the farmers, but will willingly publish their profit and loss accounts, which the public are fully entitled to see and examine.

It is also demanded by the Farmers' Platform that henceforth tariff-making at Ottawa be done in the open instead of by the secret and subterranean methods which have been invariably followed in the past both by the governments and the protected interests. It is the intention of the farmers that when a manufacturer demands protection he shall come before a committee of parliament where the light of publicity can be turned upon his industry and his demand. Publicity is the greatest enemy of special privilege. In demanding full publicity the farmers are striking right at the heart of the tariff evils.

The outstanding feature of the Council discussion was the determination to continue to fight for justice at all costs. They have recommended that the farmers in each province take action to secure the nomination and election of candidates who can be depended upon to endorse and support the Farmers' Platform. It is now strictly up to the farmers of Canada to see that when the next Dominion election is held they elect the right kind of candidates. In no other way will they be certain of getting the right kind of legislation.

—Grain Growers' Guide.

Read your Free Trade Broadside in order to keep in touch with the loyal members who are located in almost every State in the Union. We are planning important changes that will bring about a closer community of thought and interest in the work we have to do in making this a better world to live in for all mankind.

Domestic Trade of U. S. Shows Potential Value of Free Trade

By Geo. Haven Putnam, President.

The most distinctive example in the world's history of the advantage of a policy of freedom of exchange among communities united under a single political control is that of the United States. Our fellow citizens who uphold the wisdom of the protective policy make a practice of referring to the prosperity that has come to the United States during the years since 1862 in which protection has been maintained as a national policy. They find it convenient, however, to put to one side the many causes which have furthered the prosperity of the country, causes which could in no way be connected with the tariff barriers. Among these causes may be cited: the great extent of open land available for settlement and cultivation; the enormous mineral deposits; the great forests of timber; the long coasts with their magnificent natural ports, the *full value of which has been restricted only by the protective policy*; the pressure of population in Europe which has sent to the United States millions of capable workers who are adding to the wealth of the country, etc. Apart, however, from these natural advantages which have furthered the growth and the development of the United States, it is proper to bear in mind that we have on this continent a larger example of the advantages of freedom of trade between communities diverse in character and in local interests than has before been presented in the history of the world. There is greater difference between the personalities of the citizens of Massachusetts and Louisiana than there is between the citizens of Boston and those of London. There is greater difference between the classes of production in Massachusetts and Louisiana, in the methods of industry, in the race heritage and in many other of the conditions that go to make populations diverse, or between such communities as Rhode Island and Southern California, than between New England on the one hand and England on the other. The fact that Massachusetts and Louisiana are under one political control, accepting together the authority of the Fed-

eral government, does not and cannot affect their industrial conditions.

The freedom of exchange between Massachusetts and Louisiana, or between New York and California, is not intended to give benefit to one only of the two parties. This freedom would not have been instituted and could not have been maintained through the 142 years of our national existence, if it had not proved a benefit to all parties concerned.

If it be true, however, that there is advantage both ways in the trade between Maine and Massachusetts, it will be difficult for the protectionists to make clear why there should not be corresponding advantage in similar freedom of trade relations between the citizens of Maine and those of New Brunswick or Nova Scotia.

The boundary between the United States and the Dominion of Canada is a line running through the middle of the Great Lakes and across thousands of miles of prairie. There ought to be the largest possible trade communication between the communities on the north and those on the south of that line. The barriers instituted by purely artificial and senseless restrictions constitute a tax upon the peoples on both sides of the line and bring advantage to neither. The natural market or trade centre for the farmers of Manitoba is St. Paul, Minn. Because, however, of this necessary tariff barrier, the productions of Manitoba and the fertile regions in the farther west have to reach the markets of the world by a longer and more expensive route, through the territory north of the Lakes. Every unnecessary expense put upon a bushel of wheat on its way to the consumer constitutes an injury both to the producer and to the consumer, and goes to lessen the available wealth and therefore the actual comfort of the peoples of the earth.

The world's war has given an example of the results of what may be called *extreme protection*, but it is not evident that the peoples subjected to such interference with their natural trade rights are satisfied with the results of this war protection!

Entering Wedge For Protection of the I. I's.

Hamilton, Bermuda, Jan. 1, 1919.

My dear Major Putnam:

Here in Bermuda the tariff is a flat 10 per cent. (for revenue only) on all articles but a few; a corporation which practically controls the business of the island wishes to put up a canning plant and have the infant industry protected.

The Editor of the Gazette is denounced by the would be beneficiaries as the "Hearst of Bermuda."

The opportunity is small but the disposition to levy a toll on the helpless is very present. I am,

Yours sincerely,

ROBT. W. LEONARD.

From the Gazette.

TOMATOES AND TARIFFS: Our House Committed to a Protective Policy in Remarkable Haste.

While England and the Dominions are cautiously pondering great economic policies, our own little Bermuda jumps right in and declares for a Protective Tariff system.

In blithesome manner the House goes on record with a 25 per cent. duty on canned tomatoes for the encouragement of home industries.

Now a tin of tomatoes is a more or less insignificant and innocent article; we think of it very seldom. And yet its champions of the Finance Committee have brought it forth from a shrinking obscurity into the limelight of publicity almost in a day.

Under the round red effigy of a ripe tomato the forces of Protection in this Colony may go on from strength to strength till they end by building up a tariff wall of such dimensions that no consumer will be able to scale it, except with rare agility and empty pockets.

It had been our idea that United Empire sentiments were prevalent here. We had heard so much from Front street economists touching on the need for linking the Colonies, the Dominions and the Mother Country in post war bonds that it rather surprised us when we learned that an article, imported chiefly from Canada, had been taxed to keep it out of competition with our own local cannery.

Yet 25 per cent. ad valorem was put on almost without debate and unless something unexpected happens there it will stay unless, indeed, it goes higher.

We confess that it is disappointing to

those who believe in English free trade. Not that we object so strongly to paying a few pence extra when we wish to indulge the luxury of stewed tomatoes from tins. It is quite probable that if the price goes up to any extent local competition will come to the rescue of the consumer; the fact being that canneries are not expensive outfits and that rival concerns can easily be established.

But we do not like the Protective principle.

It is an interference with the natural current of trade.

It is giving to a few people the rights which all ought to possess.

It is monopolistic in its tendency.

If this local industry can not compete today with goods from Canada—now that high ocean freights hamper the sale of the imported product—if it costs more to tin the local vegetables and put them on the local market with war conditions all favoring the home product, then one may argue that tinning tomatoes in Bermuda is too expensive a process to be economically sound.

It means that the public, the housewives of this Colony, are being taxed to benefit the growers of tomatoes and the gentlemen (whoever they are) that run this company.

Mr. Zuill made a very proper objection to the new Tariff policy when the matter was brought up on Wednesday, but unfortunately his support was slim and the House committed itself, without waiting, to a radical departure from English doctrine.

The only excuse for a protective tariff is as a weapon against "dumping." English protectionists based their argument for protection to home industries on the danger arising from cheap German products. But even so the policy was not approved.

The United States elected President Wilson on his low tariff platform, because the consumers resented exploitation by the monopolies, which high tariffs had built up, against the interest of the people at large.

We are inclined to think that Bermuda will hear more of this issue in the future.

Against Ruthless Trade

From N. Y. World.

How many of the heroic Americans who fought at Chateau-Thierry, St. Mihiel and in the Argonne Forest were thinking of the Home Market Club, the Protective Tariff League or the politicians at home who are scoring for the Presidential election of 1920?

A war to end war is waged as truly against the high enterprises of ruthless trade as against the aggressions of a trespassing militarism. Most wars have their origin in commercial as well as in dynastic or governmental covetousness. A war to end war must fail of its object, therefore, if at its conclusion the survivors of discredited economic systems of privilege and monopoly are able to regain control of Governments

Inadequacy of Bonding and Drawback

Extract from U. S. Tariff Commission Report to U. S. Senate, on "Free Zones," Nov. 20, 1918.

There are certain features in the present bonded warehouse and drawback systems which detract from their usefulness in facilitating foreign commerce. Some of these features are inherent in the nature of the case; others consist of seemingly unnecessary hardships which can be ameliorated by a revision of the customs laws accompanying them.

The purposes of the bonded storage warehouse are to relieve importers from the payment of duty on foreign products that in unchanged form are destined for reexport, and also to permit the postponement of payment of such duties until the time when, during a period of three years the owner desires to remove them. It can not aid in expediting the entry and clearance of shipping or the handling of merchandise, for vessels must submit to the same formalities and requirements, whether they bring dutiable goods or goods to be placed in bond, and the goods themselves, whatever their destination, must be valued, sampled, weighed, and tested before removal from the dock. Much of the delay necessarily incident to the proper assessment of duties on imports for domestic consumption is equally imposed on goods destined to be reshipped.

(a) To protect the public revenues from unauthorized entry of goods into domestic trade, the owner of the goods is required, under present procedure, to give bond in double the amount of the duty, which is forfeited if the goods are stolen, lost, destroyed, or fraudulently removed.

(b) Even drayage between dock and warehouse must be done under bond.

(c) In addition, from the time they enter port until they are reshipped the goods are under constant customs control and supervision.

(d) While in the warehouse they must be placed and arranged in accordance with certain well-defined regulations, so that they may at any time be checked and inspected by special agents of the Treasury Department.

(e) Permits must be obtained for their reception and delivery, and strict

accounts must be kept of all warehouse transactions.

(f) Except during the usual business hours the warehouse is closed by a Government lock, and to enter it at any other time requires special permission and payment for the overtime presence of a customs agent.

(g) Handling, sorting, mixing, or repacking of the goods is prohibited; only where serious damage is threatened can the original package be opened, and even then it must be done by special permission and under customs supervision.

(h) Subject to these regulations, the expense of which it should be noted is made a charge upon the goods, an owner may leave his merchandise in bond for three years, but at the end of that time if duties are not paid they are considered, to use a technical expression, as "abandoned to the Government," to be sold by the Government, accruing charges and expenses deducted and the remaining proceeds turned over to the owner.

The usefulness of the bonded warehouse is sometimes further restricted by the tariff practice of the country to which bonded goods are reexported. Thus, the Canadian law treats goods that have been held in American bonded warehouses exactly as if they had entered American domestic commerce. When imported from this country to Canada, such goods are assessed for duty at the foreign value increased by the amount of the duty they would have paid if they had entered the United States for domestic consumption. The effect of this regulation finds illustration in the business of a certain American firm dealing in foreign embroideries.

In order to fill a Canadian order, this firm found it necessary to send such goods from a bonded warehouse in New York to England, where the goods were reinvoiced and thence shipped to Canada. . . .

DRAWBACK.

The law authorizing what is known as drawback permits an importer, instead of placing his goods in bond, to pay duty on their entry and then to draw back from the Treasury on their

reexportation 99 per cent of the amount paid. This provision, of course, can not any more than the bounded warehouse relieve commerce from the delays and other burdens incident to customs enforcement. The intent of the law is to aid production for foreign markets by relieving from customs dues imported materials that are manufactured or finished in this country and then shipped abroad.

Scores of industries in this country that now use foreign materials to produce goods for export do not exercise the drawback privilege at all. The reason is that, for the prevention of fraud, the privilege is so hedged about with exacting and intricate regulations that the amount of the drawback very often does not pay for the labor and cost of collecting it.

(a) To prove the identity of goods on which drawback is claimed requires a minute checking of imported elements entering into the manufacture, with the right and oftentimes with the need of examining into factory management sometimes threatening the disclosure of trade secrets of importance. So complicated is the procedure in making claim and proving identity that many producers do not find it worth while to apply for drawback at all. Large-scale industries, like sugar refineries and those compelling the use of large quantities of tin plate, go to the expense of employing experts permanently to look after their drawback interests.

(b) Every step must be taken subject to customs inspection, and oaths are required from importers, superintendents, and exporters.

(c) Even after reshipment, before drawback can be recovered, evidence must be given of the actual landing of the goods in a foreign country.

(d) At best, under the smoothest operation of the law, that part of the owners' capital advanced in payment of duties is tied up in the Treasury from the time the goods are imported until 30 days after they are reshipped.

Rt. Hon. J. Chamberlain: "The farmers will be very foolish indeed, if they follow after this will-o'-the-wisp (Protection). The food of the people was taxed to raise the rent of the landlord. None of the plunder found its way into the pockets of the farmers."

Right principles are always susceptible of application.—Garrison.

"Protecting Home Industries" Reduces Purchasing Power of Wages

By Edmond J. Burke, Secretary.

The whole theory of "Protection" (so called) by the levying of customs duties or "protective" tariffs as well as this whole system of raising revenue are unsound both economically and fiscally and have been repeatedly exposed and proved false by political economists of the first rank. There are several reasons why the idea and system survive and have such a hold on the peoples of the world.

The principal reason is that, as a system of taxation, it puts the burden on the bulk of the people in an indirect manner, with the result that not only do the privileged few escape paying their share of the taxes, but the mass of the people are ignorant of the heavy taxes they (the people) are paying.

Secondly, in most cases, tariffs enable a small number of manufacturers to charge higher prices for their products and so reap enormous profits. Thus a comparatively small but rich and powerful privileged class, well organized and continuously alert through their hired agents and lobbyists, see to it that governments, whether autocratic or representative (so called), protect their interests and maintain this monstrous system.

Lastly, the people are misled by all kinds of plausible statements or arguments none of which are true or sound, but which appeal to large numbers who are too busy to consider the matter deeply or are untrained in discovering fallacies and sophistries. As a system for raising revenue customs duties at best are expensive to collect and interfere tremendously with perfectly legitimate trade between individuals. Just here is where one cause for confusion arises. For purposes of convenience it is customary to speak of trade between the U. S. and Great Britain or the U. S. and Canada, etc., whereas as a matter of fact governments do not do a dollar's worth trading, but citizens of different countries trade with each other just as do citizens of our various states. There is no more reason why government should interfere with trade between a citizen of Vermont and a citizen of Canada than between a citizen

of Vermont and a citizen of Massachusetts.

The collection of customs duties requires innumerable customs houses, numerous officials, for examining and valuing goods and levying duties and for preventing smuggling, with all the consequent delays, losses and expense to the traders and to the public. When duties are levied on products which are not or can not be produced in the importing country, as for instance tin or coffee and cocoa in the U. S., it is true the government gets the full amount of the tax, all of which is added to the cost of the article and the ultimate consumer must pay this added cost plus the increased per cent of legitimate profits of the importer, jobber and retailer. Where duties are levied on manufactured articles or products that may be produced in the importing country then, experience has proved in the U. S. that for every dollar that the government collects in revenue the people must pay about five dollars in increased prices to the home producer who naturally adds the amount of the duty to the price of his product. High tariff advocates in the U. S. or "Protectionists" (so called) at first claimed that we could not manufacture in this country in competition with the old established manufacturers of Great Britain and Europe and that we must therefore have a "protective" tariff. Now, if this reasoning were really sound the first factory established in any industry anywhere would be the only one that could ever exist. How was it possible that cotton factories could be established in Georgia, for instance, in competition with those already in Massachusetts with larger capital and more skilled operatives; or shoe factories in St. Louis, Mo., in competition with the older ones in Brockton, Mass. There were no "protective" tariffs possible in those cases to "protect" the "infant industries" in the newer states (newer in certain kinds of manufacturing or production if not in formation). California oranges and grape fruit did not have to be "protected" against those grown in Florida. Why then is it necessary for the cotton or woolen mills of Massachusetts or the

cutlery manufacturers of Connecticut to be protected against those of England, or the sugar growers of Louisiana against those of Cuba? It is not and never has been true and this so-called protection only enabled these home industries to charge higher prices, reap enormous profits and make a few very rich owners at the expense of the mass of the people of the country. But, say the "protectionist" advocates, we must have a tariff that will cover the difference in wages between the pauper labor of Europe and our own higher paid labor. There is nothing in this argument. Wages in Georgia are lower than in Massachusetts and wages in California higher than in Florida; wages in free trade England are higher than in protectionist Germany. Wages are governed by a supply and demand; by the amount of free land available or by personal skill and efficiency. As a general rule low waged labor is more expensive than high priced labor because less efficient and the true index is not the day wage paid but the amount of labor cost per unit, per yard of cloth or per pair of shoes. The Lawrence, Mass., strike of several years ago and the resultant investigation proved that the operatives of the woolen industry in Mass. were very poorly paid, that their net wages were less than those of similar operatives in England and this woolen industry has been the most highly protected for years in this country. The unprotected shoe industry in the U. S. as a rule pays higher wages than the most highly protected industries. One skilled mechanic in the U. S. will produce more in a day than a hundred Hindus will produce in a week, and improved machinery and efficient management all tend to reduce labor cost even though the daily wage be high.

The "Protectionists" claim that a tariff if high enough will encourage manufacturing, this will create large centres of population enjoying high wages with a resultant market for the products of the farm, the farmers thereby becoming prosperous and furnishing a market for the products of the factories. This plausible sounding "merry go round" of prosperity with a high tariff as its propelling force is as reasonable and possible from an economic standpoint as a snake swallowing itself or a man lifting himself over a fence by his boot straps are physically possible.

We know that as a rule the wages paid by manufacturers or others are not regulated by their profits but by the market rate of wages. The tariff in-

creases prices, as even protectionists admit, otherwise there would not be the large profits to encourage manufacturing. This increase of prices, which is nearly equal to the tariff, plus the consequent increased percentages of the fair profits of importers and other middlemen, must be paid by the whole people and their cost of living increased. So we see that the necessary result of high tariffs for protection or even customs tariffs for revenue is to increase the cost of living, reduce purchasing power of wages and earnings of the whole people and enable only a comparatively few manufacturers to reap enormous profits and wealth with which to corrupt legislation and further enslave the people by means of powerful combines and trusts. These are not mere theories but have been abundantly proved by facts and the experience of the U. S. during the past 50 years. All the sophistries, circumlocution and quoting impressive looking figures as to trade, etc., cannot wipe out the fact that people can not tax themselves into prosperity by "protective" tariffs.

Until the adoption of the 16th amendment to the constitution of the United States there may have been some excuse for customs duties to help raise the revenue needed for the Federal Government. But now there is no excuse for this unjust, burdensome and inefficient system of taxation when sufficient revenue can be more justly, equitably and easily raised by income taxes and inheritance taxes.

Efficiency in Production the Real Solution

"The world will become a very different world after the war. We can not isolate ourselves. Foreign trade as well as foreign diplomacy must play a greater part than before. We must be prepared to meet the commercial, as well as the military and political dangers which are involved by our entry into world politics. But as we have stood for freedom, equality, and justice in our past policy of isolation, so let us stand for freedom, equality, and justice in our new policy of world participation. If we extend our foreign trade, we shall hope to do it by making that foreign trade advantageous to others as well as to ourselves. If we make commercial alliances, we shall wish to make them profitable not only to ourselves but to our commercial allies. It would be a vast misfortune, and indeed a negation of all we hope to accomplish

by the war, if it left behind it no other commercial policy than one of selfish struggle and mutual recrimination. Our aim should be not to secure discriminations but to remove them. *Our industrial and commercial ambition should turn not to securing artificial aid for our own trade, but to that efficiency of industry which promote the prosperity of all the world.*"

(Outline of work and plans, U. S. Tariff Commission.)

The Spratt Family Managed Better by Means of Free Trade

In the "Bab Ballads," there is a story of two Englishmen who were wrecked on a desert island, but who, not having been introduced, felt obliged to keep in separate parts of the territory. They were named respectively Peter Gray and Somers.

"On Peter's portion oysters grew—a delicacy rare,

But oysters were a delicacy Peter couldn't bear;

On Somers' side was turtle, on the shingle lying thick,

Which Somers couldn't eat, because it always made him sick."

Here was a perfect protective situation, and etiquette stood in the place of the tariff. After long sighing for the delicacies beyond reach, they were able to speak, through the accidental discovery that they had a mutual friend, named Robinson, in England. So they fraternized, inaugurated free trade, and happily exchanged their oysters and their turtles.

At length, a convict-ship touches the island, and whom should they recognize among the prisoners but their friend Robinson, who had been transported for misappropriating stock! His disgrace sufficed to dissolve the friendship between Peter and Somers, founded on such a slender basis, and—

"To allocate the island they agreed by word of mouth;

And Peter takes the north again, and Somers takes the south;

And Peter has the oysters, which he hates, in layers thick,

And Somers has the turtle—turtle always makes him sick."

So the protective nations hug the limited area where their lot has been of the others, and anxious to part with cast, each wishing for the good things things of its own, forbidden by this strange international prejudice. Each heroically denies itself and insists that it is growing rich by isolation.

The satire of the ballad is matched by the action of foolish nations.—*William Lloyd Garrison.*

"DUTY"

From the "Liberator," Auckland, N. Z.

No word in our language has been so greatly misused as the sacred word "duty." . . .

When the present mad drama of destruction ends, and the curtain rises on the hopeful drama of reconstruction, it is of vital importance that evil things should not be disguised in fair-sounding names. All our abominable tariffs are imposed under the sacred name of Duty, and thus get a superficial and undeserved sanction.

The effect of the abuse of such a word as Duty applied to customs-taxation is twofold. It not only disguises the inherent iniquity of the tax but at the same time it weakens the moral strength of the idea of duty in the individual conscience.

Few people feel morally bound, if able to evade the Customs. They develop a "Customs House conscience," and thus the moral fibre of the people is deteriorated.

There are few now whose conscience prompt them to pay in to the Treasury any deficiency in their income tax, although it is a more justifiable tax than the Customs. Years ago the Chancellor of the Exchequer constantly acknowledged in the English papers his receipts of unpaid income tax.

The idea of duty in its spiritual and truest sense lies at the root of all these considerations, and to apply that noble word to the conglomeration of stupid and iniquitous taxes, miscalled Customs Duties, seems almost criminal. They are the result of selfish scheming for personal advantage, and are utterly contrary to the dictates of reason and justice.

There is not a Conservative in England, France and Italy who is more of a Tory than the Old Guard politicians of the United States, now in a minority, who are telling us in effect that unless the Payne-Aldrich tariff can be written into the peace treaty all is lost.

This element lives in the past. It has no conception of the colossal errors exposed by the present struggle.

Its view is so restricted that it imagines a future in which commercial boycotts and bludgeons and Chinese Walls are to take the place of seas and harbors mined, submarined and blockaded, and private war is to succeed public war. It even dreams that a world capable of freeing itself of autocracy, which has learned some bitter lessons in the progress, can be cajoled or frightened at its close into embracing monopoly at home and inviting strife abroad by the shriek of "Free Trade!"—*N. Y. World.*

From London

Cobden Club, Broadway Court,
Westminster, London, S. W.
G. H. Putnam, Esq., President American Free Trade League, Boston,
Mass., U. S. A.
Dear Mr. Putnam:

* * * It is simply impossible to impose food taxes at present in this country. I think, on the contrary, we shall have a great advance towards free trade in agricultural products on the Continent. Very high prices for food must prevail in Europe for a considerable time even after the war is finished. The Continental peoples will be impoverished and it will be hard enough to pay these prices, even without tariffs. The sort of situation that must inevitably develop, so it seems to me, is this: All the food tariffs are suspended for the present and must remain suspended till the end of the war; then will come the question of whether under the conditions then existing, with a competitive scramble to obtain such food surpluses as you in America have to spare, it will be safe for any government to re-impose the tariffs which existed before the war. Granting, we suppose, that there were surplus grain in Russia and that you had some to sell, would it not be a desperate thing, even for the German government, to interpose between these supplies and the hungry German people the old duty of 11-10 a quarter? Such a proceeding would, I should think, be almost a signal for revolution. I am not pessimistic as to what will happen in this respect after the war. We shall not get food taxes here, I am convinced, and I do think we might reasonably hope to have them given up in some other countries.

Yours very truly,

F. J. SHAW.
Secretary.

Viscount Bryce, lately the British Ambassador at Washington, said in a London address:

I remember being told by an American Member of Congress of a case that occurred within his own experience, which shows you how far the notion of giving protection to everybody has gone. He represented a State which had a large fruit-growing industry, and he received a deputation from a great number of fruit-growers in that State, asking that a high import duty might be imposed upon bananas. He observed to them that bananas were not grown in his State. The deputation admitted that that was so. He further observed that bananas were not grown within the United States. That also was admitted. "Then why do you want a tax on bananas?" he asked. "We are," they said, "growers of peaches. We have a large industry of peach-growing, and if people were to form the habit of getting bananas cheap, they would consume fewer peaches. We cannot afford to have a peach the less eaten, because somebody who might eat peaches wants to eat bananas."

Constitution Of The American Free Trade League.**ARTICLE I.**

The name of this organization shall be the American Free Trade League.

ARTICLE II.

The object of the League shall be to free the trade industries and the people of the United States from any tariff taxes except those imposed for revenue only, and to hasten the time of free exchanges between all nations.

Its methods shall be to enlist the conscience, intelligence, and patriotism of the United States against the system called Protection, which at the dictation of organized wealth taxes the whole American people for the benefit of a few.

ARTICLE III.

Any person in sympathy with the objects of the League may, subject to the approval of the Executive Committee, become a member upon payment of the annual dues of one dollar, and twenty-five cents additional for a quarterly "Broadside."

ARTICLE IV.

The officers of the League shall be a President, Vice-Presidents, Treasurer, Secretary, and an Executive Committee of ten members. They shall be elected at the annual meeting of the League, which shall be held on the last Tuesday in April, or at a date as near thereto as possible, to be fixed by the Executive Committee; an official ballot shall be prepared by the Executive Committee to be presented at this meeting. Every officer shall continue to hold his office until his successor is elected.

ARTICLE V.

The President, Treasurer and Secretary shall be ex-officio members of the Executive Committee unless any of them are paid for their services by the League; but no official paid by the League shall be ex-officio a member of the Executive Committee. Subject to these articles, the Executive Committee shall manage the affairs of the League, and dispose of its funds. It may establish such relations with other organizations having a similar object as may seem desirable. It may fill all vacancies, elect additional Vice-Presidents, and may delegate any of its powers to sub-committees, officers, or agents. It shall have no power to contract debts in behalf of the League.

ARTICLE VI.

Meetings of the Executive Committee may be called at any time by the Secretary, upon the request of the President or of three members of the committee. Special meetings of the League may be called by vote of the Executive Committee; but a notice of the meeting, stating the objects thereof, shall be mailed to each member. At meetings of the Executive Committee five members shall constitute a quorum.

ARTICLE VII.

Fifteen members of the League shall constitute a quorum.

ARTICLE VIII.

This Constitution may be amended at any meeting of the League by a two-thirds vote, but the proposed amendments shall be printed in the call of the meeting.

Editorial

Tomatoes and Tariffs

Col. Robert W. Leonard, a veteran friend sojourning in Bermuda, sends the lively little article entitled "Tomatoes and Tariffs," appearing on page 3. We learn from this paper that the Island of Bermuda is confronted with the same kind of attempt to secure benefits for the few at the expense of the many that has for years burdened the United States.

We may think of the fight for a 25 per cent. duty on tomatoes in a little community like Bermuda as constituting but a "tempest in a teapot," but Free Traders well understand that the principle is precisely the same as that which controls millions of dollars worth of inequitable burdens placed upon consumers in the United States.

GEORGE HAVEN PUTNAM.

Payments of War Debt.

Our nation's part in the winning of the great war has been a glorious one and the wage-earners of the United States have contributed to the victory both by enlistment in the army and navy and by loyalty and zeal in the manufacture of munitions of war. Theirs has been the great sacrifice. We are determined, therefore, that the heavy burden of the war debt of the nation shall not be shifted to the shoulders of the wage-earners, those least able to bear it. Aggregated wealth, large incomes, net profits, inheritances and land values should be made by proper measures of taxation to pay the major portion of the war debt. We purpose to oppose the imposition of any considerable part of this debt on the wage-earners through *tariffs* or stamp taxation on necessities, on the amusements of the people, or by *insidious and complex wording of revenue bills* so that while their letter would indicate the equitable levying of taxes, their actual application would pass these taxes on to those whose incomes are insufficient in many instances to maintain American standards of life.

One of the classics of the predatory interests, voiced confidentially, is that according to their observation "The people will stand for anything." The above quoted from the "Fourteen Points" adopted at the Union Labor Conference in Albany, would indicate that Infant Industries would better be getting their boots on!

W. B. C.

The Quickest Route to Port Development

The Tariff Commission in setting forth the great advantage of Free Zones in a specified area of a country of necessity gives a very clear illustration of the adverse working of a Protective tariff, showing how it cripples trade with seemingly never-ending obstacles! We need port development and ships; strike off the paralyzing hand of Special Privilege and "private initiative,"—that is so lauded by the votaries of a 'confiscatory tariff,—will bring great things to pass in the world.

W. B. C.

Women's Colleges in Debate.

They Will Discuss Question of Free Trade—Wellesley Teams to Meet Vassar and Radcliffe.

"Resolved: that the federation of nations should uphold the principle of international free trade" is the question which will be the subject of inter-collegiate debating this season by teams from Smith, Mt. Holyoke, Wellesley, Barnard, Vassar and Radcliffe. The teams from Smith will meet the teams from Barnard and Mt. Holyoke. The debates are scheduled for March 15. Affirmative teams will remain at home and the negative teams will carry out the following schedule: Radcliffe at Wellesley, Wellesley at Vassar, Vassar at Mt. Holyoke, Mt. Holyoke at Smith, Smith at Barnard and Barnard at Radcliffe.

Anatole France: "It is to our advantage to have the people of every race and color powerful, rich and free. Our prosperity and wealth depend upon theirs. The more they produce, the more they will consume. The more they profit by us, the more we shall profit by them. Let them rejoice abundantly in our labor, and we shall rejoice abundantly in theirs."

Where Empires towered that were not just

Lo! the skulking wild fox scratches

In a little heap of dust.

—Lowell.

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WILLIAM LLOYD GARRISON
1838-1909

Edited by

The Executive Committee

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Article II.—The object of the American Free Trade League shall be to free the trade industries and the people of the United States from any tariff except those imposed for revenue only, AND TO HASTEN THE TIME OF FREE EXCHANGES BETWEEN ALL NATIONS.

Cable from Cobden Club

To the President of the American Free Trade League:

Free Trade League Dinner, Hotel Astor, N. Y., Feb. 27, 1919.

Cobden Club send warm sympathy and express conviction that Free Trade is essential factor in securing and maintaining peace of world. Shaw, Sec'y.

If you are not already a member and receive a copy of this paper please consider it an urgent invitation to join the League and to make your power felt in some effective way.

THEY ALSO HELP WHO PAY THEIR DUES OR CONTRIBUTIONS BEFORE THE YEAR IS OLD.

The office of the League is now located in Room 311, 120 Boylston Street, Boston. The move was made to accommodate the management of the Walker Building in housing some new tenants.

TO SECURE EXTRA COPIES OF THIS PEACE CONFERENCE MEMORIAL NUMBER PLEASE WRITE US PROMPTLY.

Free Trade Memorial Cabled From New York to France

To Hon. Robert Lansing,
Secretary of State.

Sir:—

The undersigned, American citizens representing varied groups of commercial, industrial and professional activities, respectfully request that the following considerations for the adoption of freedom of trade among civilized nations as a means of cementing peaceful international relations throughout the world, be submitted through the American peace delegates to the international peace conference.

ECONOMIC GREED

1. Economic greed, masked under guise of national patriotism, has been the chief and most prolific source of modern wars, and the paramount if not the sole cause of the World War is proven to be an unstinted lust on the part of the leading aggressor for world-domination in trade to the disadvantage of other nations.

ECONOMIC PEACE INVOLVES FREEDOM OF TRADE

2. Economic peace is the vital atmosphere of a League of Free Nations and involves freedom of trade, in the mutual interest of all nations and to the disadvantage of none. Protective tariff discriminations and "most favored nation" clauses (such as France has recently abrogated) to the detriment of the less favored nations are economic barriers, contrary to the spirit of such a league and are of international concern in contrast with questions of national revenue, which are exclusively of national concern.

THE RELIEF OF WORLD NEEDS

3. In great emergencies, from devastation by earthquake, whirlwind, flood, fire, famine or pestilence, the first thought has been to break down all barriers, tariff as well as other, that would prevent the free flow of human helpfulness. The urgent need of all Europe and much of Asia for food, and of the devastated regions for supplies of machinery and raw material for their re-

construction and rehabilitation and of manufactured goods for immediate consumption, makes it an imperative duty for the civilized nations of Europe to sanction no policy that would have the result of obstructing trade or hindering the prompt delivery of these materials, with the necessary result of lessening the supplies so delivered; or that could make any addition whatever to the cost of productions required by the starving and the destitute. But the advantage of trade must be reciprocal to be beneficial and if a permanent foundation of freedom in trade as well as in political systems is not now established, the old conflicts will soon arise and the peace of the world will again be threatened.

OUTLET TO THE SEA

4. A chief difficulty in treaty adjustments has hitherto been the requirement on the part of each nation for an outlet to the trade of the world. Those nations which can reach the sea only through the ports of other nations are put at disadvantage if such ports are made barriers rather than gateways. In freedom of trade is to be found solution of this problem through free interchange from racial differences or political boundaries.

FREEDOM IS NOT INTERFERENCE

5. Freedom of trade is not an interference with national independence but gives free scope for the development of the resources of each nation to its best advantage. Even for a nation looking solely to its own self-interest the growth of trade which comes with freedom of interchange of exports and imports makes for social freedom, a better understanding of other peoples, general prosperity, and therefore individual prosperity. This is shown by the benefits derived from freedom of trade among the States of the United States of America, marred only by participation with other nations in the war of tariffs, and the resulting diversion of much of the wealth accumulated through its domestic free trade into the

hands of a few at the expense of the many.

WAR OBLIGATIONS

6. Economic peace is vital to enable all the nations involved in the world war to pay their huge war debts and rebuild their industrial prosperity and the prosperity of the world on a sure foundation, and also to make it possible for the aggressor nations to provide for the reparation and reconstruction costs imposed upon them because of the ruthless destruction and reckless robbery by their armies and navies, and thus to meet the demands of retributive justice.

THE CAUSE OF WAR

7. In the settlement of wars through peace treaties, the obvious course of investigating causes of war and uprooting them has never yet been tried. The scourge of war, left to run its course, has bred the germs of recurrent disease and the prophets of lasting peace have been confronted by new wars resulting from the unhealed sores of the old. The general acceptance by the nations chiefly concerned of the proposals of the President of the United States permits us to emphasize the hope that the peace negotiations will recognize and remedy the real causes of war and for the first time in history provide a working basis for permanent peace.

THE NEW WORLD ORDER

8. The great task before the world, through the peace conference, is the healing of the nations which means the welfare of all peoples. This can only come through world freedom made possible by economic freedom which means economic peace. Now that the greatest of all wars is happily over, and the international spirit of freedom has vanquished national greed for world power, there must come the great peace which will first of all remove the economic, social and political motives for future wars. If the new peace is not such a peace, the war will have been waged for naught and the sacrifices of millions of men have been in vain. For the first time in history there is an opportunity for the nations of the world to lay down their economic weapons along with their military arms and join in an actual brotherhood of humanity.

For this high purpose, we therefore pray that full and favorable consideration may be given in the deliberations of the conference to the subject of economic peace as an essential factor in securing and maintaining throughout the world political peace and commercial justice.

We may ask leave in the course of the deliberations of the conference to supplement this brief memorial with a more extended memorandum as to the propositions here set forth.

Respectfully submitted,

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 Sigmund Zeisler, Chicago.

English and Dutch Leagues Also Send Free-Trade Memorial

The Committee of the Cobden Club desires, with great respect, to lay before the members of the Peace Conference a brief plea in favour of the adoption of Free Trade by the Nations of the World as a means of fostering goodwill among them.

The great purpose of the Conference, that to which, by common consent, every other purpose is to be subordinate and auxiliary, is the settlement of international relations on such a foundation as will give to the peoples of the world a reasonable hope and assurance of the future maintenance of peace among them. It is our earnest conviction that the universal adoption of the principle and practice of Free Trade would greatly contribute to the attainment of this purpose.

We do not propose to justify this conviction by an appeal to economic doctrine. We believe, indeed, that the material requirements of life among the peoples of the world would be increased, and their satisfaction made more stable and secure, by the common adoption of a policy of Free Trade between them; but we are not, at the moment, concerned to prove this. What does concern us, and what we think closely concerns the Conference, is the kind of relationship between nations which a policy of Trade Protection, adopted by each against the others, assumes, and which it actually creates and keeps in being.

It will not be denied that this policy, in practice, sets up artificial barriers between nations; that it restricts their intercourse; that, to the extent to which it is successful in accomplishing its object, it divides and disunites their interests; and that it has been a fruitful source of ill-will between them.

It is, therefore, a hostile relationship which a policy of Trade Protection assumes as existing between the peoples of the world; and it is a hostile relationship which it actually creates and keeps in being. In the unions of previously independent States composing the Federal Republics of the United States, Switzerland, and Brazil, this has been recognized and acknowledged. Amongst the fundamental conditions of these federations the abrogation of this policy of Trade Protection against each other on the part of the component members was included; and once abrogated no attempt has ever been made, or desire

expressed on grounds of trade, to revert to it. Within the area comprising the union Trade Protection has been given up, and trade has not suffered; while the bonds of peace and affection have been strengthened.

This, in brief, is the substance of our plea to the Peace Conference in favour of the adoption of the policy of Free Trade by the Nations of the World.

The members of the Conference are individually and collectively pledged by the peoples they severally represent to endeavour to form a League of Nations, whose prime function shall be the maintenance of the Peace of the World. This pledge brings them under a common moral obligation earnestly to seek for, and unselfishly to give effect to, every means, consistent with human freedom and the advancement of human civilization, by which the risks of war may be diminished. We submit to them, with respect, but with a deep and abiding conviction of the importance of the subject, that this obligation cannot be discharged without a careful consideration of the influence which the character of the trading relations of the peoples they represent has on the question of future peace or war between them.

Signed on behalf of the Committee of the Cobden Club by

FRANCIS MOWATT, *Chairman.*

J. A. MURRAY MACDONALD, *Hon. Sec.*

T. FISHER UNWIN, *Treasurer.*

F. J. SHAW, *Secretary.*

February, 1919.

It is regrettable that the Memorial of the Free Trade League of Holland arrived so late that it had to be somewhat condensed.

TO THE MEMBERS OF THE PEACE
 CONFERENCE

THE HAGUE, March, 1919.

It is not our intention to enlarge upon all the advantages of the policy of free-trade; the most eminent authors of all countries have done it already so often and experience has proved the correctness of their contentions . . . if in future the States again be allowed to hamper the development of each other's industry and trade by means of measures of protectionism with all the fatal consequences resulting therefrom, the League of

nations would be an unstable building We are fully convinced that, if the free-trade-policy had found general acceptance before the war, the possibility of an outbreak of war would have been very small Then we would not have been witnesses to the lamentable impoverishment of the world, which we are now face to face with.

In order to replace this impoverishment as soon as possible by general welfare it will be necessary to increase the productive power of the world as much and as rapidly as possible This object may be obtained under a policy of free-trade; protectionist measures, however, will thwart it.

As citizens of a State which has for more than fifty years enjoyed the beneficent results of its free-trade policy, which in that period has witnessed within its frontiers the springing up of a great number of industries and their rapid development to important export-trades, which has always been on good terms with other nations in economical matters and where some rare attempts to replace free-trade by a system of protectionism have always failed in consequence of the powerful "veto" of the majority of the nation, we are, in our opinion, entitled to lay this plea with great respect before your Conference.

ANT. VAN GIJN,
Chairman.

C. D. SALOMONSON,
Secretary and Treasurer.

MEMBERS OF THE COMMITTEE:

- Ant. Van Gijn, LL.D., professor of political economy at the University of Leyden; late Minister of Finance, The Hague, chairman.
- Jhr. H. Smitsaert, LL.D., manager of the General Life Insurance Company, The Hague, vice-chairman.
- D. Van Blom, LL.D., professor of political economy at the University of Leyden, Leyden.
- K. Czn. De Boer, late mayor of Assendelft; member of the First Chamber of Parliament, Assendelft.
- A. Heringa, LL.D., professor of political economy at the Agricultural and Horticultural College, Wageningen.
- E. H. Krelage, president General Bulb Growers' Society of Haarlem; vice-president Netherlands Horticultural Federation, Haarlem.
- A. Plate, late president of the Rotterdam Chamber of Commerce; Rotterdam.
- U. G. Schilthuis, deputy of the Provincial Government of Groningen, Groningen.
- C. A. Verrijn Stuart, LL.D., professor of political economy at the University of Utrecht, Utrecht.
- C. D. Salomonson, LL.D., barrister, Amsterdam, secretary and treasurer.

Right principles are always susceptible of application.—Garrison.

War Preferable to International Freedom from Customs Duties

By Edmund J. Burke

In the February 14th issue of the "American Economist" (the publication of the American Protective Tariff League) there is a long diatribe against the American Free Trade League, Pres. Wilson and the League of Nations. In passing it may be said that the only sensible words and sound reasoning in the whole article are in the quotations from President Wilson and from the memorial sent by Free Traders of the United States to the United States representatives at the Peace Conference. This memorial was signed by a number of men not only successful but intelligent (which doubtless explains the fact that they are not well known to the "Economist") engaged in all kinds of professions and businesses. The "Economist" says that these men are willing to sacrifice the labor and industries of America on the altar of Free Trade. As is usual with those arguing for their favorite fetish "protection" the "Economist" seems to forget that for every dollars worth of foreign goods imported in to the U. S. labor in the U. S. must produce a dollar's worth in exchange. Free traders, frankly, do not see how they can further the interests of labor and industry in the U. S. by forcing them to pay \$1.50 or \$2.00 worth of their product for every \$1.00 worth of the foreign product which they buy; neither do free traders see how they can further the interests of the people of the U. S. by increasing the cost of the necessities of life to a hundred million people in the U. S. for the benefit of a few "protected" manufacturers.

Free Traders are in favor of Free Trade, frankly, because they recognize that it is to the best interests not only of the people of the U. S. but the people of the whole world; because they recognize in "protective" tariffs and other economic barriers one of the most fruitful sources of international war. We accept the challenge that any League of Nations that is worth while and that will effectively prevent future wars will and must be founded on the speedy removal of all economic barriers. It is at least something gained that we have a frank avowal from one of the leading "Protectionist" organs in the U. S. that high tariffs are preferable to world peace and that such disastrous wars as the world has just been through are to be preferred to freedom of trade between

the peoples of the earth. Free traders have always held that "protection," high tariffs and economic barriers of all kinds fostered international jealousies, hatreds and wars. We are glad to see that protectionists frankly agree that this is true and go further and say that because the League of Nations to prevent future wars will inevitably result in the breaking down of economic barriers that said league of nations is to be strenuously opposed by protectionists in the U. S.

In its March 7th issue, the "American Economist" breaks out again against the projected league of nations and attempts to belittle the argument of free traders that freedom of trade between the states of the Union and the resultant benefits therefrom can be cited as an argument for freedom of trade between the U. S. and other countries. Quoting sound free trade doctrine the "Economist" says "Freedom of trade between California which produces oranges and Connecticut which manufactures jewelry has worked all right, therefore it is logical that freedom of trade between Maine and New Brunswick would operate as favorably. The facts that Maine and New Brunswick are engaged in the same line of industry, that wages in Maine are twice as large as in New Brunswick, that the people of Maine are under obligations to support the government of this country while those of New Brunswick are bound to support Canada, cut no figure in their (free traders) calculations. The fact that the people of Maine and those of New Brunswick are rivals, with diverse interests and diverse responsibilities; while the people of the several states have common interests and responsibilities and are therefore not rivals, has no meaning to Free Traders."

Yes, the "Economist" is right, such buncombe as that just quoted has no meaning to free traders. There is a great difference between wages in Massachusetts and South Carolina, probably greater than between Maine and New Brunswick and greater diversity of interests. The "Economist" seems never to have heard that Florida produces oranges and grapefruit as well as California, that Massachusetts produces jewelry as well as Connecticut, that Missouri produces shoes as well as Massachusetts, that South Carolina and

Georgia manufacture cotton goods as well as Rhode Island and Massachusetts and so on throughout the list of 48 states. Furthermore, people generally trade things which they produce for things of a different kind which other people produce. This is trade. We venture to say that the inhabitants of New Brunswick are not more rivals of the inhabitants of Maine than are the inhabitants of Massachusetts to those of Connecticut. It might be that a few fruit growers of Florida would like to have the fruit products of California excluded from every other State in the Union but we fail to see how the rest of the inhabitants of the U. S., including those in Florida who did not own an orange grove, would be benefited thereby. How then can the mass of the people in the U. S. be benefited by excluding Canadian goods and products which they want.

Protectionists always talk a lot of buncombe about supporting our Government and supporting our flag when they know perfectly well that neither the Government nor the flag have or should have anything to do with whether a citizen of Maine chooses to trade with a citizen of New Brunswick or a citizen of New York with a citizen of England or France. Dr. Johnson has said that patriotism was the last refuge of a scoundrel. Whether this is true or not we do not pretend to say and it is doubtless a matter of personal opinion, but certainly from the arguments of most protectionists patriotism seems to be their first, last and only refuge; but they have never yet proved why it is patriotic for a hundred million people to tax themselves and pay more for all of the necessities of life than they are worth in order to increase the already large profits of a few manufacturers or protected beneficiaries.

In its March 14th issue, the "Economist" again maintains that "freedom of trade between the different states of the U. S. is quite a different thing from freedom of trade between the nations of the world," it says that the "states are on an economic level and the people thereof on the same general plane of development, members of one nation, living under the same laws and conditions, homogeneous and united in one common purpose, the general welfare of all through a nation." Wages in South Carolina are much lower than in Massachusetts, education there is less diffused. Their local laws are not the same and certainly a country that has been taking in foreigners from every country on earth for a hundred years cannot be said to be very homogeneous in its people. There is doubtless a greater divergence in "economic level," etc. in the U. S. than there is between Massachusetts and England. As to "protection" meaning "a high level of existence for labor" the employees of the woolen mills, in Lawrence, that are on strike just at present, do not seem to think that its level is so high in this country and yet they are employees of one of the most highly protected industries in the U. S.

Voters Should Study Political Economy; Read Your Authorities

Notwithstanding that the Democratic Party has attempted, by the passage of the Non-partisan Tariff Commission Act, to eliminate tariff questions from politics, the activities of the opponents of Democracy during and since the last national campaign indicate that one of the issues in the next national campaign will be upon the tariff; and now it is plain that the tariff issue can never be taken out of politics until the people shall have acquired a more thorough understanding of the subject and shall have expressed their conclusion thereon in a manner not to be misinterpreted by the special interests.

It is essential, therefore, to afford to the American people, including our adversaries, ample opportunity of realizing, before the next election, the accuracy of at least the following propositions:

I. Under so-called 'protection,' the American consumers have heretofore been (and would again be) compelled to pay 20 per cent to upward of 100 per cent more, not merely for products manufactured abroad, but also for articles produced in the United States, and, that too, for the benefit of foreign as well as American investors.

(See *The Tariff and The Trust*, by Franklin Pierce, late of the New York Bar, at pp. 26, 30-31, 42, 63-65, 73, 236, 280, 282; *The Tariff*, by Lee Francis Lybarger, of the Philadelphia Bar, at pp. 15, 18, 21, 21-26, 28, 167-170, 172-179; *The Tariff In Our Times*, by Ida M. Tarbell, of New York, at pp. 23, 30, 31, 59, 61, 105, 149, 161, 262-263, 269-270, 278, 290-291, 292, 333, 334; *Tariff History of the United States* 5th ed., by Dr. F. W. Taussig, one-time professor of economics in Harvard University and now chairman of the Federal Tariff Commission, at pp. 389-399, and *Some Aspects of the Tariff Question*, by the last named author, at pp. 9-10. The foregoing authorities will hereinafter be referred to by mentioning the author's name, except that Dr. Taussig's two books will be distinguished as 'Tariff History' and 'Tariff Questions.' See also, generally, *Wealth of Nations*, by Adam Smith, sometimes called the Father of Modern Political Economy, and a volume, copyrighted in 1889, by Worthington & Co. and containing what the compiler, H. W. Furber, of New

Hampshire, considered the best arguments for and against 'protection' that had theretofore been written. Public libraries and Democratic club libraries should contain some authorities upon the tariff question.

The proposition stated above is one of the usual practical results of a 'protective' tariff (Tarbell, 292-293), and a few illustrations will be sufficient: While 'protective' tariff laws were in force, steel rails, selling here for \$28 a ton, were sold in Europe for \$20; sewing machines were sold here for \$45 and \$50 and in South America for \$25; agricultural machinery was sold abroad for 20 per cent less than the farmer paid here (Lybarger, 167-168; Pierce, 73); the Borax Company, an English corporation, mined borax in California and Nevada, and, in 1904, sold its product here at 73-4 cents a pound, while the export price was only 21-2 cents, thus compelling Americans to pay to foreigners over three times as much as foreign consumers paid for a product found in this country (Pierce, 64-65; Lybarger, 199); Mr. Keene, a New York jeweler, found it profitable to buy American made watches in London, re-ship them to this country and sell for \$6 a watch for which others charged \$20; and the watch manufacturers compelled the retailers in this country to agree to sell at \$28 or \$32.50 the same watch that was offered in the Balkan States for \$10 (Tariff Hearings (1913), Committee on Ways and Means, House of Representatives, at pp. 1750-1753; see also Lybarger, 170).

The fact that the consumer's vote has been captured at each succeeding election by successfully concealing knowledge from him that he has been thus plundered has merely added insult to injury. And it is substantially correct to say that the only necessary or comfort of life that was immune from being enhanced in price by the practical effect of the 'protective' tariff system in force prior to 1913 was the air we breathed (Pierce, 217, 234-237; Lybarger, 20-26, 170-180).

So-called 'protection' interferes with the operation of the natural law of supply and demand; and, if the American consumer must now suffer because the conflict in Europe adds to the demand and diminishes the supply of the neces-

saries of life, it is but right that he should, in turn, be permitted, by the operation of the same factors, to enjoy the benefit of lower prices when strife in Europe ceases and normal production is resumed.

II. The Government received, in revenue, less than 10 per cent of the amount that was wrung from the American people by means of so-called "protection" and the balance went toward swelling the profits of those who were thus placed in a position to raise the prices of their products sold in this country.

(Pierce, 138, 217; Lybarger, 66, 180-185, 270-271; see also "Tariff Questions," 9-10.)

The result thus stated arose from the facts (1) that, while tariff duties were collectable, not at all from articles of commerce produced in the United States, but only from such commodities as were imported from abroad, yet the prices to the American consumer of domestic products were raised by an amount substantially equal to the 'protective' tariff upon foreign articles that would otherwise have competed in price therewith (Lybarger, 270-271) and (2) that the American people consumed a far greater quantity of domestic products, which were thus subjected to an artificial increase in price (though the Government received no part thereof), than they consumed of foreign products, upon which a tariff duty was actually paid to the Government, the amount of our domestic commerce having been about thirty-five times the value of imports (Lybarger, 121, 133; Pierce, 18-19, 138; "Tariff Questions," 9-10); and if the protectionists be again placed in power a similar condition will arise.

War Control of Trade Must Now Cease

In the February issue of the "Journal des Economists," Paris, appears a very timely article on the unfortunate economic inheritance from four or five years of war. "The material part of this, the destruction of material and capital, can be made up by work and thrift. The restrictions which national defence rendered necessary can be removed. But the most regrettable effect is the changed, not to say deformed mental attitude that has arisen towards the proper role and attributes of Government." "Five years of intervention submitted to with resignation, five years of control, of rationing, of taxation, five years of allocations, have created both among the beneficiaries and among

the functionaries, charged with the application, a regrettable mentality. A bureaucracy, new, improvised, has been created, without possessing the experience and efficiency of that of former times."

The author calls attention to the symptoms of resistance in England, Italy, the United States and even France to the stifling, strangling effects of this governmental control upon commerce and industry.

He quotes Sir Richard Vassar Smith, head of Lloyd's Bank as saying that the control was necessary and inevitable, that it has been submitted to and accepted as a necessary evil under exceptional circumstances, but that there had been superabundant proofs of the weakness of the system. That it was a great relief to hear from the president of the Board of Trade that the government did not intend to maintain its commercial and industrial control after the war. One thing the war has taught, "is that always and everywhere the intervention of Government is an obstacle to industrial efficiency and that it is necessary to impose the strictest limits on this intervention."

The British Commissions headed respectively by Sir Richard Vassar Smith, Lord Cunliffe and Lord Inchcape have in their reports agreed in general that governmental restrictions and interventions should cease in all lines of commerce and industry.—Translation. E. J. B.

Political Action in Britain

In the costly campaign of protectionist advertising now being carried on throughout all Canada, one of the misstatements which is set forth repeatedly is that Great Britain has turned protectionist. It is true that the present majority in the House of Commons consists of men who have been classed as advocates of the protectionist policy known as Tariff Reform, but the old land has not gone back on its traditional policy of free trade.

Striking evidence of this—and also of the manner in which British electors know how to make use of political action—has been given in the recent by-elections, notably in the latest in Central Hull, where in December last the Unionist candidate, the late Sir Mark Sykes was elected by 13,805 votes, against 3,434 cast for his Free Liberal opponent, Rev. R. M. Kedward. In the recent by-election Central Hull, which never before elected any sort of Liberal, elected a naval officer, Com-

Officers of The American Free Trade League

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Prof. James H. Dillard, Charlottesville, Va.
Charles R. Benton, LaCrosse, Wisconsin.

mander Kenworthy, who is a Free Liberal by 8616 votes against 7,609 for his Unionist opponent, Lord Eustace Percy. Commander Kenworthy, speaking after the result was announced, said that "the victory was for the main principle of free trade."—Editor Grain Growers' Guide.

Constitution Of The American Free Trade League.

ARTICLE I.

The name of this organization shall be the American Free Trade League.

ARTICLE II.

The object of the League shall be to free the trade industries and the people of the United States from any tariff taxes except those imposed for revenue only, and to hasten the time of free exchanges between all nations.

Its methods shall be to enlist the conscience, intelligence, and patriotism of the United States against the system called Protection, which at the dictation of organized wealth taxes the whole American people for the benefit of a few.

ARTICLE III.

Any person in sympathy with the objects of the League may, subject to the approval of the Executive Committee, become a member upon payment of the annual dues of one dollar, and twenty-five cents additional for a quarterly "Broadside."

ARTICLE IV.

The officers of the League shall be a President, Vice-Presidents, Treasurer, Secretary, and an Executive Committee of ten members. They shall be elected at the annual meeting of the League, which shall be held on the last Tuesday in April, or at a date as near thereto as possible, to be fixed by the Executive Committee; an official ballot shall be prepared by the Executive Committee to be presented at this meeting. Every officer shall continue to hold his office until his successor is elected.

ARTICLE V.

The President, Treasurer and Secretary shall be ex-officio members of the Executive Committee unless any of them are paid for their services by the League; but no official paid by the League shall be ex-officio a member of the Executive Committee. Subject to these articles, the Executive Committee shall manage the affairs of the League, and dispose of its funds. It may establish such relations with other organizations having a similar object as may seem desirable. It may fill all vacancies, elect additional Vice-Presidents, and may delegate any of its powers to sub-committees, officers, or agents. It shall have no power to contract debts in behalf of the League.

ARTICLE VI.

Meetings of the Executive Committee may be called at any time by the Secretary, upon the request of the President or of three members of the committee. Special meetings of the League may be called by vote of the Executive Committee; but a notice of the meeting, stating the objects thereof, shall be mailed to each member. At meetings of the Executive Committee five members shall constitute a quorum.

ARTICLE VII.

Fifteen members of the League shall constitute a quorum.

ARTICLE VIII.

This Constitution may be amended at any meeting of the League by a two-thirds vote, but the proposed amendments shall be printed in the call of the meeting.

Secretary of the Navy Always Opposed Economic Errors

By E. N. Vallandigham

Former Secretary of the Navy, Hilary A. Herbert, whose death, at the age of 85, occurred at Tampa, Florida, on March 6th, had a long and useful career in Congress, as a tariff reformer and steady opponent of ship subsidies and other economic errors. Mr. Herbert was a native of South Carolina, but from early childhood a resident of Alabama. He attended the University of that State and the University of Virginia, and was admitted to the bar at Greenville, Alabama. When the civil war came on he entered the Confederate Army, in which service he rose to the rank of Colonel. After the war he returned to Alabama ruined financially, but he rapidly built up a law practice,

and in 1877 was sent to Congress. He served in the House of Representatives until 1893, where he ardently supported tariff reform and civil service reform, and helped to defeat the proposal that the Government guarantee the bonds of the Union Pacific Railway. President Cleveland called Mr. Herbert to the Cabinet in 1893, as Secretary of the Navy, and it is generally acknowledged that he was one of the best equipped and most effective men that ever occupied that office. After retiring from office Mr. Herbert practised law at Washington, as member of the firm of Herbert and Micou. His whole career as a public man was distinguished by high intelligence, fine ideals, great fairness and speckless probity.

Imperial Preference Fallacy

By Lord Sheffield, London

To sum up the case concerning Imperial Preference. There is no preference we can give without fatal injury to our economic existence which will be of any value to our Colonies. If we give some insignificant trifle, we shall have awakened expectations which will lead to bad feeling when disappointed. And we shall have abandoned the fixed principle of our finance, that taxation is to be for revenue and not for furthering any special interests. Moreover, when we begin to traffic with the industrial interests of others, we are not only dealing with self-governing Dominions. We have seen the establishment of a society largely supported in Government circles and among those who will constitute Mr. Lloyd George's majority, who aim at what they call utilising the resources of the Empire—that is, employing the natives of great tropical Crown Colonies, not on their own behalf on their own land to develop the resources of the country for their own well-being, but to work under control in order to earn profit for Britain, which will then cease to be the impartial and progressive guide who will help the natives to a higher life, but will degenerate into a force for the exploitation of the native, which may some day even approach the horrors of the Congo, of German South-West Africa and Putumayo.

It is to be hoped that in the Peace Conference, whatever is the decision as to the future of Africa, the principle affirmed when the control of Africa was divided up among the European nations will be maintained and enforced, and that no preferential tariff, no exclusive concessions, no alienation of the land of the people will be permitted, but whoever is put in charge shall be put there as the delegate of Europe and the trustee of the native population. We have seen signs that even in our Possessions, where the local white race have control, the rights of natives are not respected. The policy in Rhodesia, not only of the Chartered Company but of the white settlers, is to treat the land as an estate for the benefit of the whites, not as the property of the native races. In Natal, under the pretext of native risings, such large tracts of native land have been confiscated that the effect is practically to enforce upon the natives the position of a hired labourer as contrasted with a free cultivator or owner of herds. The cruelty of the Germans in South-West Africa was perhaps their own special distinction, but the confiscation of land and of cattle was typical of a policy which is not confined to Germans. It is only by the State recognising that its duty is to govern for the welfare of all, not to administer for the financial benefit of a section, that we can steer clear of a policy which is not even successful financially, and leads to a lowering of moral responsibility.

Editorial

People Must Dictate Peace Terms

By Geo. Haven Putnam

It is our hope that the crushing of militarism and of domination by autocracies is to be the beginning of a better understanding of the trade relations with each other of the nations and of the peoples of the world. Think for a moment how much simplified would be the problems that are now confronting the Peace Commissioners in Paris in regard to the delimitation of boundaries if political boundaries no longer constituted commercial barriers.

We can understand the problems that are to be considered by the present Peace Convention because similar problems have engaged the attention of the conventions that have framed all the great treaties of Europe. In these previous historic peace treaties, Westphalia in 1648, Utrecht in 1713, Vienna in 1815, the powers to be brought into accord with each other were not the peoples but the princes. It was the princes who had to be satisfied with bribes here or appropriations there. Peoples and territories were handed about the council table as if they were so many chips in a poker game. That kind of peace treaty the world has done with. We are depending upon the representatives in Paris to secure a treaty of peace that shall rest upon assured foundations. The only way such foundations can be secured is by having the peoples of the nations concern themselves with the powers that shall dictate the terms of the final arrangement.

It is not only the interests of the princes, but the interests of the people that are to be considered.

A well-known minister, Rev. Charles P. Fagnani, one of the speakers at the Free Trade dinner, Feb. 27, in New York, said he had received an anonymous communication, accompanied by a newspaper clipping which referred to the coming Free Trade dinner and gave a list of the speakers. The writer said: "You should be ashamed to be found in such company! If you keep on sliding down you will be entertaining Trotsky. Thomas Hunter if alive would feel very bad to think one of his brightest boys was on the downward track!"

We are receiving peculiar attentions from the henchmen of special privilege these days,

Result of Mail Ballot

Only one hundred and sixty-five members of this League voted on the mail ballot, which was sent out to all members, in regard to the proposed merger with the International Free Trade League, and only three were opposed: The result of the vote of the International has not been received, as we hoped that it would be in time to be recorded in The Free Trade Broadside of this issue. In the meantime do not forget that now is the time above all others when we should close up our ranks and make this a war to end Special Privilege. W. B. C.

Free Trade for Denmark

A letter from Signe Bjorner, Kobenhavn, says: "I was glad to hear about the free trade movement in America, and especially of the new activities, to which the free traders of Denmark will certainly be glad to give their co-operation. We have had a free trade movement here for many years, and I can safely say that the people as a whole are absolutely in favor of free trade. The only consideration is how to balance the financial deficit which abolishing of duty taxes will leave, and that is in the way of being solved by the disciples of Henry George and adopted by the radical and socialist parties now in power—the taxation of land values. Thus there are two organizations working for free trade."

FROM THE PERSIAN

WE DESIRE BUT THE GOOD OF THE
WORLD AND THE HAPPINESS OF
THE NATIONS THAT ALL NA-
TIONS SHOULD BECOME ONE IN
FAITH AND ALL MEN AS BROTHERS;
THAT THE BONDS OF AFFECTION
AND UNITY BETWEEN THE SONS OF
MEN SHOULD BE STRENGTHENED;
THAT DIVERSITY OF RELIGION
SHOULD CEASE, AND DIFFERENCES
OF RACE BE ANNULED. . . . YET SO
IT SHALL BE; THESE FRUITLESS
STRIFES, THESE RUINOUS WARS
SHALL PASS AWAY, AND THE MOST
GREAT PEACE SHALL COME
LET NOT A MAN GLORY IN THIS,
THAT HE LOVES HIS COUNTRY; LET
HIM RATHER GLORY IN THIS, THAT
HE LOVES HIS KIND.

We are living, we are dwelling,
In a grand and awful time;
In an age on ages telling—
To be living is sublime!
O, let all the soul within you
For the truth's sake go abroad;
Strike! let every nerve and sinew
Tell on ages,—tell for God!

Wanted: A Durable Peace

By Dr. Charles W. Eliot

1. Protection is a selfish, exclusive doctrine which has tended, and must always tend, to produce bad relations between nations whose industrial and commercial interests are different.

2. Free Trade is a generous policy which promotes friendly relations between two different nations; because each nation profits by free intercourse with the other, and both come to understand each other well, and therefore to be friendly each with the other.

3. The new League of Nations will not bring durable peace to the world, or be itself durable, if economic war breaks out all over the world, or in spots, as soon as the actual fighting ceases. If the League is to last, it must be always trying to remove the causes of war, chief among which are hostile tariffs and restrictions on some nations' access to the seas for outgoing and incoming commodities.

4. It would be a great security for the future peace of the world if every nation should know for a certainty that, if it went to war, it would immediately lose through the prompt action of the League of Nations all the liberties and privileges implied in the two phrases Freedom of the Seas and Free Trade.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CON- GRESS OF AUG. 24, 1912.

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State of Massachusetts, County of Suffolk, ss.

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Edmund J. Burke, who, having been duly sworn according to law, deposes and says that he is the chairman of publishing committee of the Free Trade Broadside, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

Publisher, American Free Trade League, 120 Boylston street, Boston, Mass.
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EDMUND J. BURKE, Exec. Com.
Sworn to and subscribed before me this 29th day of March, 1919.

HENRY D. NUNN, Notary Public.

Right principles are always susceptible of application.—Garrison.